

**INDIA GREEN REALITY LIMITED**  
 CIN: U70101GJ2009PLC058214

Our Company was originally incorporated on September 29, 2009, as India Green Reality Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra Ordinary General Meeting held on January 27, 2016 and consequently, the name of our Company was changed to "India Green Reality Limited" vide a fresh Certificate of Incorporation dated February 24, 2016, issued by the Registrar of Companies, Ahmedabad. The corporate identification number (CIN) of our Company is U70101GJ2009PLC058214. For further details, please see the section titled "**History and Other Certain Corporate Matters**" beginning on page 90 of this Prospectus.

**Registered Office:** 12, Satyam Mall, Near Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India;

**Tel:** +91-79-4009 6471; **Website:** [www.indiagreenreality.com](http://www.indiagreenreality.com);

**Corporate Office:** 308, 3<sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road, Ahmedabad -380015, Gujarat, India

**Tel No:** +91-79-4800 8787 Email: [compliance@indiagreenreality.com](mailto:compliance@indiagreenreality.com); Website: [www.indiagreenreality.com](http://www.indiagreenreality.com)

**Company Secretary and Compliance Officer:** Mr. Nirav Shah Email: [compliance@indiagreenreality.com](mailto:compliance@indiagreenreality.com);

**OUR PROMOTERS: MR. VINODKUMAR M THAKER AND MR. AMITAVA SAMANTA**

THE ISSUE	
PUBLIC ISSUE OF 34,60,000 EQUITY SHARES OF RS.10 EACH ("EQUITY SHARES") OF INDIA GREEN REALITY LIMITED ("IGRL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 30 PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. 1038.00 LACS ("THE ISSUE") OF WHICH, 1,80,000 EQUITY SHARES OF RS. 10 EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 32,80,000 EQUITY SHARES OF RS. 10 EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.22% AND 25.81%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.	
THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS. 30.00/- IS 3.00 TIMES OF THE FACE VALUE	
THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS 2009, AS AMENDED FROM TIME TO TIME. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 43(4) OF THE SEBI (ICDR) REGULATION 2009, AS AMENDED FROM TIME TO TIME. FOR FURTHER DETAILS, SEE SECTION TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 171 OF THIS PROSPECTUS.	
In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential Investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For further details, please refer to section titled " <b>Issue Procedure</b> " beginning on page 171 of this Prospectus.	
ELIGIBLE INVESTORS	
For details in relation to Eligible Investors, please refer to section titled " <b>Issue Procedure</b> " beginning on page 171 of this Prospectus.	
RISKS IN RELATION TO THE FIRST ISSUE	
This being the first issue of the Company, there has been no formal market for the securities of the Company. The face value of the shares is Rs.10 per Equity Share and the issue price is 3.00 times of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the chapter titled " <b>Basis for Issue Price</b> " beginning on page 59 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 or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Prospectus. <b>Specific attention of the Investors is invited to the section titled "Risk Factors" beginning on page 11 of this Prospectus.</b>	
COMPANY ABSOLUTE RESPONSIBILITY	
The Company, having made all reasonable inquiries, accepts responsibility for, and confirms that this Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document 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 issued through this Prospectus are proposed to be listed on the SME Platform of BSE in terms of the Chapter XB of the SEBI(ICDR) Regulations, 2009, as amended from time to time. Our Company has received an approval letter dated September 22, 2016 from BSE Limited for using its name in this Prospectus for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").	
LEAD MANAGER	REGISTRAR TO THE ISSUE
 <b>GUINNESS</b> <i>Redefining Services</i>	 <b>KARVY</b> 
<b>GUINNESS CORPORATE ADVISORS PRIVATE LIMITED</b> 18, Deshapriya Park Road, Kolkata - 700 026, West Bengal, India <b>Tel:</b> +91 33 3001 5555 <b>Fax:</b> +91 33 3001 5531 <b>Email:</b> <a href="mailto:gcapl@guinnessgroup.net">gcapl@guinnessgroup.net</a> <b>Website:</b> <a href="http://www.guinnessonline.net">www.guinnessonline.net</a> <b>Contact Person:</b> Ms. Alka Mishra/ Mr. Gaurav Khandelwal <b>SEBI Registration No.:</b> INM 000011930	<b>KARVY COMPUTERSHARE PRIVATE LIMITED</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda , Hyderabad – 500 032, India <b>Tel:</b> +91 – 40 – 67162222 <b>Fax:</b> +91 – 40 – 2343 1551 <b>Website:</b> <a href="http://www.karisma.karvy.com">www.karisma.karvy.com</a> <b>E-mail:</b> <a href="mailto:indiagreen.ipo@karvy.com">indiagreen.ipo@karvy.com</a> <b>Contact person:</b> Mr. M Murli Krishna <b>SEBI Registration No:</b> INR000000221
ISSUE PROGRAMME	
ISSUE OPENS ON: FRIDAY, SEPTEMBER 30, 2016	ISSUE CLOSES ON: THURSDAY, OCTOBER 06, 2016

## TABLE OF CONTENTS

SECTION	TITLE	PAGE NO.
<b>I</b>	<b>GENERAL</b>	
	DEFINITIONS AND ABBREVIATIONS	1
	PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	8
	FORWARD LOOKING STATEMENTS	10
<b>II</b>	<b>RISK FACTORS</b>	11
<b>III</b>	<b>INTRODUCTION</b>	
	SUMMARY OF INDUSTRY	26
	SUMMARY OF BUSINESS	29
	SUMMARY OF FINANCIALS	30
	THE ISSUE	33
	GENERAL INFORMATION	34
	CAPITAL STRUCTURE	40
	OBJECTS OF THE ISSUE	54
	BASIC TERMS OF ISSUE	58
	BASIS FOR ISSUE PRICE	59
	STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS	61
<b>IV</b>	<b>ABOUT OUR COMPANY</b>	
	OUR INDUSTRY	63
	OUR BUSINESS	71
	KEY INDUSTRY REGULATIONS AND POLICIES	81
	HISTORY AND CERTAIN OTHER CORPORATE MATTERS	90
	OUR MANAGEMENT	94
	OUR PROMOTERS	105
	OUR PROMOTER GROUP / GROUP COMPANIES / ENTITIES	108
	RELATED PARTY TRANSACTIONS	114
	DIVIDEND POLICY	115
<b>V</b>	<b>FINANCIAL INFORMATION</b>	
	AUDITOR'S REPORT ON RESTATED FINANCIAL STATEMENTS	116
	STATEMENT FINANCIAL INDEBTEDNESS	136
	MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	137
<b>VI</b>	<b>LEGAL AND OTHER INFORMATION</b>	
	OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS	146
	GOVERNMENT & OTHER STATUTORY APPROVALS	149
<b>VII</b>	<b>OTHER REGULATORY AND STATUTORY DISCLOSURES</b>	152
<b>VIII</b>	<b>ISSUE RELATED INFORMATION</b>	
	TERMS OF THE ISSUE	165
	ISSUE STRUCTURE	169
	ISSUE PROCEDURE	171
	RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	208
<b>IX</b>	<b>MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION</b>	<b>209</b>
<b>X</b>	<b>OTHER INFORMATION</b>	
	LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	268
	DECLARATION	270

## **SECTION I: GENERAL**

### **DEFINITIONS AND ABBREVIATIONS**

#### **DEFINITIONS**

<b>TERMS</b>	<b>DESCRIPTION</b>
“India Green Reality Limited”, “IGRL”, “We” or “us” or “our Company” “the Company” or “the Issuer”	Unless the context otherwise requires, refers to India Green Reality Limited, a Company incorporated under the Companies Act, 1956 vide a certificate of incorporation issued by the Registrar of Companies, Gujarat
“you”, “your” or “yours”	Prospective Investors in this Issue

#### **CONVENTIONAL/GENERAL TERMS**

<b>TERMS</b>	<b>DESCRIPTION</b>
AOA / Articles / Articles of Association	Articles of Association of India Green Reality Limited, as amended from time to time
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations, 2015)
Bankers to the Company	Central Bank of India, Allahabad Bank, Canara Bank & Kotak Mahindra Bank
Branch Office	BA 29 / 30, Rajdanga Main Road , Near Gitanjali Stadium, Kolkata – 700107, West Bengal , India, and 86A, Topsia Road, Room no. 105 (1 <sup>st</sup> Floor), Kolkata – 700046, West Bengal, India.
Board of Directors/our Board / Director(s)	The Board of Directors of India Green Reality Limited, including all duly constituted committees thereof
BSE	BSE Limited (the Designated Stock Exchange)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956 and Companies Act, 2013, to the extent amended and applicable.
Corporate Office	308, 3 <sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road. Ahmedabad – 380015, Gujarat, India
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depositories Act	The Depositories Act, 1996 as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
DIN	Director Identification Number
Equity Shares / Shares	Equity Shares of our Company of face value of Rs. 10 each unless otherwise specified in the context thereof
Financial year	As per sub-section (41) of section 2 of the Companies Act, 2013
General Information Document (GID)	The General Information Document for investing in Public Issues prepared and issued in accordance with SEBI circular CIR/CFD/DIL/12/2013 dated October 23, 2013
Group Companies	Companies which are covered under the applicable accounting standards and other Companies as considered material by our Board. For details, see section entitled “ Our Promoter Group/Group Companies/Entities” on page 108 of this Prospectus
ISIN	International Securities Identification Number. In this case being INE373V01019
Key Managerial Personnel / Key Managerial Employees	Key Managerial Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013, as described in the section titled “Our Management” on page 94 of this Prospectus.
Listing agreement	The Equity Listing Agreement to be signed between our Company and the BSE Ltd.
Materiality Policy	The policy on identification of group companies, related party transactions, material creditors and material litigation, adopted by our Board on June 20, 2016, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of India Green Reality Limited, as amended from time to time
Non Resident	A person resident outside India, as defined under FEMA Regulations, as amended

TERMS	DESCRIPTION
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Overseas Corporate Body / OCB	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. <b>OCBs are not allowed to invest in this Issue.</b>
Peer Review Auditors	M/s. A D V & Associates, Chartered Accountants, the Peer Review Auditor of our Company
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership, 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
“Promoters” or “our Promoters”	Promoters of the Company being Mr. Vinodkumar Mahasukhlal Thaker and Mr. Amitava Samanta
Promoter Group Companies /Group Companies / Group Enterprises	Unless the context otherwise specifies, refers to those entities mentioned in the section titled “ <i>Our Promoter Group / Group Companies / Entities</i> ” on page 108 of this Prospectus.
Registered office of our Company	12, Satyam Mall, Near Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India
RoC	Registrar of Companies, Gujarat
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME Platform of BSE/Stock Exchange	The SME platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations
Statutory Auditor / Auditors	M/S Dhaval Padiya and Co., Chartered Accountants the Statutory Auditor of our Company
SWOT	Analysis of strengths, weaknesses, opportunities and threats

## ISSUE RELATED TERMS

TERMS	DESCRIPTION
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
AIF(s)	Alternative Investment Funds
Allocation/Allot/ Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Application Form	The form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount (ASBA)	Means an application for subscribing to an issue containing an authorization to block the application money in a bank account
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent

TERMS	DESCRIPTION
	of the appropriate application amount of the ASBA applicant, as specified in the ASBA Application Form
ASBA Applicant(s)	Any prospective applicant (s) in this issue who apply(ies) through the ASBA Process in terms of this Prospectus.
Banker to the Issue	The Banks which are clearing members and registered with SEBI as Bankers to the Issue wherein the Public issue Account(s) of the Company will be opened. In this case being ICICI Bank Limited
Basis of Allotment	The basis on which Equity Shares will be allotted to the Investors under the Issue and which is described in “ <i>Issue Procedure–Basis of Allotment</i> ” on page 179 of this Prospectus
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue
Brokers Center	Broker centres notified by the Stock Exchanges, where applicants can submit the application forms to a Registered Broker. The details of such broker centres, along with the name and contact details of the Registered Brokers, are available on the website of the BSE on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
Business Day	Any day on which commercial banks are open for the business
Category I Foreign Portfolio Investor(s)	FPIs who are registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as Category II Foreign Portfolio Investors under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as Category III Foreign Portfolio Investors under the SEBI FPI Regulations.
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Chief Financial Officer	The Chief Financial Officer of our Company is Mr. Manmindersingh Makhija
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our Company is Mr. Nirav Shah
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Applications by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their address, PAN, Occupation and bank account details
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form used by ASBA Applicant and a list of which is available on <a href="http://www.sebi.gov.in">www.sebi.gov.in</a>
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account or unblock such amounts, as appropriate in terms of this Prospectus.
Designated Market Maker	Guiness Securities Limited having Registered office at 216, 2 <sup>nd</sup> Floor, P. J. Towers, Dalal Street, Mumbai- 400 001, Mumbai, Maharashtra and Corporate office at Guiness House, 18, Deshapriya Park Road, Kolkata-700 026, West Bengal, India
Designated Stock Exchange	BSE Limited
Draft Prospectus	The Draft Prospectus dated September 12, 2016 filed with the BSE Limited
Eligible NRI	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 Allotted herein.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants



TERMS	DESCRIPTION
Issue/Issue size/ initial public issue/ Initial Public Offer/Initial Public Offering	Public Issue of 34,60,000 Equity Shares of face value Rs. 10/- each ("Equity Shares") of India Green Reality Limited for cash at a price of Rs. 30/- per share (including share premium of Rs.20), aggregating to 1038.00 lacs
Issue Opening date	The date on which the Issue opens for subscription
Issue Closing date	The date on which the Issue closes for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective applicants may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 30/-
Lead Manager/LM	Lead Manager to the Issue being Guinness Corporate Advisors Private Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the SME Platform of BSE.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case, Guinness Securities Limited is the sole Market Maker.
Market Maker Reservation Portion	The Reserved portion of 1,80,000 Equity shares of face value Rs. 10/- each fully paid for cash at a price of Rs. 30/- per Equity Share aggregating to Rs. 54.00 Lacs for Designated Market Maker in the Initial Public Issue of India Green Reality Limited
Mutual Funds	A Mutual Fund registered with SEBI under SEBI (Mutual Funds) Regulations, 1996
Memorandum of Understanding	The arrangement entered into on August 25, 2016 between our Company, and Lead Manager pursuant to which certain arrangements are agreed in relation to the Issue
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 32,80,000 Equity Shares of face value Rs. 10/- each fully paid for cash at a price of Rs. 30/- per Equity Share aggregating to Rs. 984.00 lacs by India Green Reality Limited.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non-Institutional Investors / Applicant	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors, who apply for the Equity Shares of a value of more than Rs. 200,000.
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013, where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Investors
Public Issue Bank(s) / Banker to the Issue	The Banks which are clearing members and registered with SEBI as Bankers to the Issue wherein the Public Issue Account(s) of the Company will be opened.
Qualified Institutional Buyers or QIBs	Public financial institutions as defined in Section 2(72) of the Companies Act, 2013, Foreign Portfolio Investor other than Category III Foreign Portfolio Investor, AIFs, VCFs, FVCIs, Mutual Funds, multilateral and bilateral financial institutions, scheduled commercial banks, state industrial development corporations, insurance companies registered with the IRDA, provident funds and pension funds with a minimum corpus of Rs. 250 million, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, Government of India, eligible for Bidding and does not include FVCIs and multilateral and bilateral institutions.
Registrar/Registrar to the Issue	Registrar to the Issue being Karvy Computershare Private Limited
Retail Individual Investor(s)	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000
Self-Certified Syndicate Banks or SCSBs	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a>
Underwriter	Guinness Corporate Advisors Private Limited
Underwriting Agreement	The Agreement between the Underwriter and our Company
Working Days	Working day shall be all trading days of stock exchanges excluding Sunday and bank holidays as per SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

#### COMPANY/INDUSTRY RELATED TERMS/TECHNICAL TERMS

TERMS	DESCRIPTION
Acres – one Acre	Area of 43,560 Square Feet
AMRUT	Atal Mission for Rejuvenation and Urban Transformation

TERMS	DESCRIPTION
CBD	Central Business District
CREDAI	Confederation of Real Estate Developers' Association of India
CSO	Central Statistics Organisation
Developable Area	For built-up developments refers to the total area to be developed in each project, which includes carpet area, wall area, common area, service and storage area and car park area; and (ii) for plotted developments refers to the total area to be developed in each project, which is equivalent to the total plotted land area allocated amongst residential plots, commercial plots and community services as per applicable state norms
DIPP	Department of Industrial Policy and Promotion
GEP	Global Economic Prospects
HHI	Hyundai Heavy Industries
JDA	Joint Development Agreement
KVS	Kendriya Vidyalaya Sangthan's
IIP	Index of Industrial Production
IMF/IMF's	International Monetary Fund
InvITs	Infrastructure Investment Trusts
LNG	Liquefied Natural Gas
LOI	Letter of Intent
M&A	Mergers and Acquisitions
NCR	National Capital Region
NHB	National Housing Bank
OC	Occupation Certificate
PE	Private Equity
PIB	Press Information Bureau
Planned/Forthcoming Project	A project for which land or development rights have been acquired or a memorandum of understanding or an agreement to acquire or a joint development agreement has been executed, in each case, by us, either directly or indirectly, and preliminary management development plans are complete
PMI	Purchasing Managers' Index
PPP	Public-Private-Partnership
Q1	Quarter One
Q2	Quarter Two
Q3	Quarter Three
Q4	Quarter Four
RIET	Real Estate Investment Trusts
Saleable Area	The part of the developable area relating to our economic interest in each property and for which the respective owner or tenant is obliged to pay or for which we estimate that respective owner or tenant will pay
TDR	Transferable Development Rights, which means, when in certain circumstances, the development potential of land may be separated from the land itself and may be made available to the owner of the land in the form of transferable development rights
Urban Land Ceiling Act	The Urban Land (Ceiling & Regulation) Act, 1976
WPI	Wholesale Price Index

### **ABBREVIATIONS**

TERMS	DESCRIPTION
A/c	Accounts
AGM	Annual General Meeting
AMBI	Association of Merchant Bankers of India
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A. Y.	Assessment Year
B. A	Bachelor of Arts
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
CAGR	Compounded Annual Growth Rate
C A	Chartered Accountant

TERMS	DESCRIPTION
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIA	The Calcutta Improvement Act, 1911
CMD	Chairman and Managing Director
C S	Company Secretary
CO	Compliance Officer
Contract Act	The Indian Contract Act, 1872
Competition Act	The Competition Act, 2002
DP	Depository Participant
EC Act	The Employees' Compensation Act, 1923
EIA	Environmental Impact Assessment
EMP	Environment Management Plan
Easement Act	The Indian Easements Act, 1882
ECS	Electronic Clearing System
EGM / EOGM	Extra Ordinary General Meeting of the Shareholders
EPS	Earning Per Equity Share
ESI Act	The Employees State Insurance Act, 1948
ESOP	Employee Stock Option Plan
EMD	Earnest Money Deposit
EPF Act	The Employees Provident Funds and Miscellaneous Provisions Act, 1952
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under.
FEMA	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII	Foreign Institutional Investors as defined under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2000, registered with the SEBI under applicable laws in India
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India.
FPIs	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Por intermediary in terms of the provisions of the SEBI Act,1992 regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FY / Fiscal	Financial Year
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FTA	The Foreign Trade (Development And Regulation) Act, 1992
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GOI/ Government	Government of India
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IT	Information Technology
IT Act	Income-Tax Act, 1961
INR / Rs./₹/ Rupees	Indian Rupees, the legal currency of the Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMC Act	Kolkata Municipal Corporation Act, 1980
Land Acquisition Act, 2013	The Right to Fair Compensation and Transparency in Land Acquisition,



TERMS	DESCRIPTION
	Rehabilitation and Resettlement Act, 2013
M. A	Master of Arts
M.B.A	Master of Business Administration
M. Com	Master of Commerce
MCA	The Ministry of Corporate Affairs, Gol
MSME	Micro, Small and Medium Enterprises
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951
MW Act	The Minimum Wages Act, 1948
NAV	Net Asset Value
NBC	The National Building Code of India
No.	Number
N. A.	Not Applicable
NR	Non Resident
NSDL	National Securities Depository Limited
Ordinance 2014	Rehabilitation and Resettlement (Amendment) Ordinance, 2014
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PB Act	The Payment of Bonus Act, 1965
PG Act	The Payment of Gratuity Act, 1972
PW Act	The Payment of Wages Act, 1936
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
ROC / Registrar of Companies	The Registrar of Companies, Ahmedabad, Gujarat
RONW	Return on Net Worth
SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
Trademarks Act	The Trademarks Act, 1999
T. P. Act	The Transfer of Property Act, 1882
U.K.	United Kingdom
Urban Land Ceiling Act	Urban Land (Ceiling and Regulation) Act, 1976
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America
U.S./USA/United States	United States of America
WBFSa	The West Bengal Fire Services Act, 1950
WBTCPD Act	The West Bengal Town and Country (Planning and Development) Act, 1979
WBBA	The West Bengal Building (Regulation Of Promotion Of Construction and Transfer By Promoters) Act, 1993
WEO	World Economic outlook
WTD	Whole time Director

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Financial Data**

Unless stated otherwise, the financial data in this Prospectus is extracted from the financial statements of our Company for the fiscal years 2012, 2013, 2014, 2015 and 2016 and the restated financial statements of our Company for the fiscal years 2012, 2013, 2014, 2015 and 2016 prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2009, as stated in the report of our Auditors and the SEBI Regulations and set out in the section titled "Financial Information" on page 116. 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 Regulations. Our fiscal years commence on April 1 and end on March 31. 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, US GAAP and IFRS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

### **Currency of Presentation**

All references to "Rupees" or "Rs." or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S.\$" or "U.S. Dollar(s)" are to United States Dollars, if any, the official currency of the United States of America. This Prospectus contains translations of certain U.S. Dollar and other currency amounts into Indian Rupees (and certain Indian Rupee amounts into U.S. Dollars and other currency amounts). These have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that such Indian Rupee or U.S. Dollar or other amounts could have been, or could be, converted into Indian Rupees, at any particular rate, or at all.

In this Prospectus, throughout all figures have been expressed in Lacs, except as otherwise stated. The word "Lacs", "Lac", "Lakhs" or "Lakh" means "One hundred thousand". Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

### **Industry & Market Data**

Unless otherwise stated, Industry & Market data used throughout this Prospectus has been obtained from internal Company reports and Industry publications and the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources. 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.

### **Definitions**

For definitions, please see the chapter titled "*Definitions and Abbreviations*" beginning on page 1 of this Prospectus. In the section titled "*Main Provisions of the Articles of Association of our Company*" beginning on page 209 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### **Industry & Market Data**

Unless otherwise stated, Industry & Market data used throughout this Prospectus has been obtained from internal Company reports and Industry publications and the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability

cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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.

## **FORWARD LOOKING STATEMENTS**

Our Company has included statements in this Prospectus, that contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "shall", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will continue", "will pursue" and similar expressions or variations of such expressions that are "forward-looking statements". However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Company objectives, plans or goals, expected financial condition and results of operations, business, plans and prospects are also forward-looking statements.

These forward-looking statements include statements as to business strategy, revenue and profitability, planned projects and other matters discussed in this Prospectus regarding matters that are not historical fact. These forward-looking statements contained in this Prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from expectations include, among others General economic conditions, political conditions, regulatory changes pertaining to the relevant industry scenario in India, technological changes, our exposure to market risks which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, etc.

Further, the other important factors that could cause actual results to differ materially from expectations are as follows:

- Our ability to successfully implement our strategy, our growth and expansion, technological changes.
- Our exposure to market risks that 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.
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Changes in the value of the Rupee and other currencies.
- The occurrence of natural disasters or calamities.
- Changes in political condition in India.
- The outcome of legal or regulatory proceedings that we are or might become involved in;
- Government approvals;
- Our ability to compete effectively, particularly in new markets and businesses;
- Our dependence on our Key Management Personnel and Promoter;
- Other factors beyond our control; and

For further discussion of factors that could cause Company's actual results to differ, see the section titled "*Risk Factors*" on page 11 of this Prospectus. By their nature, certain 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. Our Company, the Lead Manager, and their respective affiliates do not have any obligation to, and do not intend 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, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange.

## **SECTION II - RISK FACTORS**

*An investment in Equity involves a high degree of risk. Investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. Any of the following risks as well as other risks and uncertainties discussed in this Prospectus could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment.*

*In addition, the risks set out in this Prospectus may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future.*

*Prior to making an investment decision, prospective investors should carefully consider all of the information contained in this Prospectus, including the sections titled "Business Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Financial Information" included in this Prospectus beginning on pages 71, 137 & 116 respectively. The occurrence of any of the following events could have a material adverse effect on our business, results of operation, financial condition and prospects and cause the market price of the Equity Shares to fall significantly.*

*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.*

### **Materiality**

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

- *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 be having material impact in future.*

### **Internal Risk Factors**

- 1. *Our Company and our Promoter Director Mr. Vinodkumar M Thaker is involved in an income tax related matters. Any adverse decision in such proceedings may render us to liabilities / penalties which may adversely affect our business and reputation.***

Our Company and Our Promoter Director Mr. Vinodkumar M. Thaker are involved in various income tax matters. The same are pending at different levels of adjudication. Any adverse decision may render them liable to liabilities/penalties and may adversely affect our business and reputation.

The Total outstanding amount involved with our company is Rs. 4337.22 Lacs and the total outstanding amount involved with our Promoter and Managing Director is Rs. 2583.40 Lacs.

For further details please refer to the chapter titled 'Outstanding Litigations and material developments' beginning on page 146 of this Prospectus.

- 2. *Our Registered Office and other premises from where we operate are not owned by us. If we are required to vacate the same, due to any reason whatsoever, it may adversely affect our business operations.***

Our Registered office, Corporate Office and Branch offices are not owned by our Company. Our Company has been occupying all these premises on lease basis. Although, we believe that we have complied with all the terms of such agreements, in the event there is any breach or violation, we may be required to vacate these premises. Further, in any event, on expiry of such agreements, if the respective owners are not willing to renew the same, the aforesaid properties/premises may have to be vacated and we may be required to look for alternate premises, which we may not be able to find at terms favourable to our Company. In such an event, it will adversely affect our business operations and our financial condition.

For further details please see 'Our Properties' in the section titled 'Our Business' on page no. 79 of this Prospectus.

3. *We share our Registered Office with some of our Group Companies and we do not have any rent sharing agreement or demarcation of the premises and facilities installed therein for use by the said Group Companies. Any multiple or overlapping use of the said facilities may create some disruption which may adversely affect our business operations.*

Our Registered Office is shared with our other Group Companies namely India Green Club and Resorts Private Limited and India Retail Products Private Limited. Neither there is any rent sharing agreement between our Company and any of the Group Companies nor there is any demarcation of the premises and facilities installed therein for use by the said Group Companies. Any multiple or overlapping use of the said facilities may create some disruption which may adversely affect our business operation.

4. *Our Company had negative cash flow in the past financial years, details of which are given below. Any negative cash flow in the future may adversely affect our day to day operations, profitability and growth prospects of our Company.*

Our Company has reported negative cash flow in past financial years which could affect our business and growth opportunities in future. The detailed break up of cash flows is summarized in below:

(Rs. in Lacs)

Particulars	For the Financial Year ended on		
	31-Mar-16	31-Mar-15	31-Mar-14
Net Cash Generated from Operating Activities	10,208.17	(2,869.98)	(2,474.04)
Net Cash Generated from Investing Activities	(17.23)	(22.03)	(168.68)
Net Cash used in Financing Activities	(10,316.00)	3,079.23	2,572.02

For further details please refer to “Annexure III - Statement of Cash Flow” forming part of the chapter titled “Financial Information” beginning on page 116 of this Prospectus.

5. *Some of our Group Companies has incurred losses in last three (3) financial years.*

Some of our Group Companies as tabled below has incurred losses in the last three financial years. The details are as under:

(Rs. in Lacs)

Name of Group Company	31.03.15	31.03.14	31.03.13
India Retail Products Private Limited	(0.75)	(0.56)	(1.08)
Samarpan Products Private Limited	(0.33)	(0.44)	NA

6. *We have not applied for regulatory consents or approvals for our upcoming projects and our plans are subject to a number of uncertainties.*

We have plans to develop our two forthcoming projects, for which we have not applied for any regulatory consents or approvals. Although, we have procured land/ land development rights for our forthcoming projects. These forthcoming projects are subject to significant changes and modifications from our current management estimates as a result of factors beyond our control, including, among others, regulatory consents and approvals and the availability of financing. Such changes and modifications may have a significant impact on our forthcoming projects, and, consequently, may have an adverse effect on our business, results of operations and financial condition. Though, we currently intend to develop these forthcoming projects, we may or may not develop these projects as planned or at all. In addition, there can be no assurance that if pursued, these projects will be implemented in a timely and cost-effective manner and will improve our results of operations and profitability.

7. *Our Company has allotted Equity Shares during the preceding one year from the date of this Prospectus at a price below the Issue Price.*

Our Company has allotted the following equity shares during the preceding one year from the date of this Prospectus at a price below the Issue Price:

Date of Allotment	Name of the Allotment	Number of Shares	Face value (in Rs.)	Issue Price (in Rs.)
28-07-2016	Bonus Allotment	58,75,000	10	Nil

For further details regarding the bonus allotment, see “Capital Structure” on page 40 of this Prospectus.



- 8. *Our Company enters into Development Agreement for land developments rights with the owners of the land, which entails certain risks like specific performance of the terms of the agreement, litigations etc. Further, any disruption in the execution of the said agreements due to any reason whatsoever may have an adverse affect on our commercial operations and profitability.***

Our Company enters into development agreements for land developments rights with the owners of the land. We enter into and may continue to enter into similar arrangements in the future for acquiring land development rights with respect to the property being developed by us. Such agreements carry risks like specific performance of the terms and covenants of such agreement, project schedules and timelines to be met with, maintaining cordial relationship with the land owners, litigations/disputes etc. Since we do not acquire ownership with respect to such land upon the execution of such agreements, as a result, our Company is subject to the risk that our Company may never acquire registration of title with respect to such land. Our Company may also be required to make partial payments to the land owner for land development rights which our Company may be unable to recover under certain circumstances. Our Company's inability to acquire land development rights, or if our Company fails to recover the partial payment made by it with respect to such land developments rights, it may adversely affect our Company's business, financial condition and results of operation.

- 9. *We require several statutory and regulatory permits, licenses and approvals to operate in the construction business, some of which our Company has either received, applied or not applied for or is in the process of application. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all.***

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business, some of which our Company has received, applied or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled "Key Industry Regulations and Policies" and "Government and Other Approvals" at pages 81 and 149 respectively of this Prospectus.

- 10. *We may depend on various sub-contractors or agencies to construct and develop our projects.***

Our construction projects require the expertise of various professional agencies such as construction contractors, architects structural designer contractors, plumbers, etc. In order to ensure completion of our projects we enter or may enter into agreements with the various subcontractors and agencies, which determine their scope of work and other terms and conditions. Thus, we primarily rely on these third parties for the implementation of such work which forms a crucial part or crucial base of our projects. Accordingly, the timing and quality of construction, or part thereof, partly depends on the availability and skill of such sub-contractor and agencies. Although we believe that our relationships with third party sub-contractors and agencies would be cordial, we cannot assure you that such sub-contractors/ agencies will continue to perform their duties and obligations in a cordial manner or continue to be available at reasonable rates and in the areas in which we conduct or may conduct our operations. Any delay by such sub-contractors/ agencies in performing their duties or failure by us to procure sub-contractors/agencies at the correct time may affect our project timelines and cause unforeseen delays.

- 11. *Our inventory levels are not subjected to audit tests by our outside auditors.***

Our inventories comprise properties under construction (work-in-progress) and properties constructed that remain unsold. Work-in-progress comprises cost of land, development rights and transferable development rights, cost of construction/development, cost of materials and services and other expenses related to projects under construction and completed units that remain unsold. The inventory levels set forth in our audited and restated financial statements and the notes and schedules thereto are based on certifications as to the state of completion of projects by Company Management. Auditors rely on these certifications as to the state of completion of projects, the amounts of raw materials on our construction sites or other inventory amounts. The Company believes it maintains effective internal control processes for determining the state of completion of projects and checking raw materials inventories and other inventory amounts.

**12. *The government may exercise rights of compulsory purchase or eminent domain over our lands.***

The Right to Fair Compensation and Transparency in Rehabilitation and Resettlement Act 2013 allows the central and state governments to exercise rights of compulsory purchase, which if used in respect of our land, could require us to relinquish land with minimal compensation and no right of appeal. The likelihood of such actions may increase as the central and state governments seek to acquire land for the development of infrastructure projects such as roads, airports and railways. Any such action in respect of one or more of our ongoing, forthcoming or upcoming projects could adversely affect our business.

**13. *Certain qualifications have been noted by Peer Review Auditors in their report on the Restated Financial Statements.***

Our Peer Review Auditors have provided certain qualifications in their report on the Restated Financial Statements in relation to the Fiscal Years 2016, 2015, 2014, 2013 and 2012 in their audit report relating to the financial statements for our Company are as follows:

- (i) *The Company has not maintained proper records and fails to provide sufficient and appropriate evidences for the purpose of recognizing revenue as well as valuation of Closing Stock & WIP as per AS – 7. Hence, we relied on the audited financial statements for the same purpose.*
- (ii) *The Company had recognized “Revenue from Operations” as per AS – 7. And as the company had not maintained proper records as mentioned, we are relying on the Revenue recognized by the management and approved by the company’s auditors.*
- (iii) *As per Accounting Standard- 15: Employee Benefits issued by the Institute of Chartered Accountants of India, Company is required to assess its gratuity liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity liability in the financials.*
- (iv) *The company had not maintained quantitative details of fixed assets purchased prior to March 31, 2014. However, the company is in process of preparing and maintaining such records.*

**14. *If we are unable to service our debt obligations in a timely manner or to comply with various financial and other covenants and other terms and conditions of our financing agreements, it may adversely affect our business, prospects, results of operations and financial condition.***

As of September 22, 2016, the total outstanding secured borrowings of our Company was Rs. 256.14 lakhs. We have entered into agreements for vehicle and term loans. Some of these agreements contain restrictive covenants relating to incurring further loan, insurance receivables against the property etc. Furthermore, some of our financing arrangements specify to revised the rate of interest. There can be no assurance that we will be able to comply with these restrictive covenants, or that we will be able to obtain the consents necessary to proceed with the actions which we believe are necessary to operate and grow our business, which may in turn have a material adverse effect on our business and operations.

For further information on the indebtedness of our Company, please refer the Section titled “*Statement of Financial Indebtedness*” on page 136 of this Prospectus.

**15. *Our Promoter has mortgaged his own property for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the recall of the mortgaged property provided by our Promoter in connection with our Company’s borrowings.***

Our Promoter Mr. Amitava Samanta has mortgaged his own property for our borrowings to secure our loans. If such mortgaged arrangement is recalled by the promoter, our lenders may require alternative property or collateral or cancellation of such loan facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative property satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.

For further information please refer the Section titled “*Statement of Financial Indebtedness*” on page 136 of this Prospectus.

**16. *Our Promoters have given personal guarantees in relation to certain financing arrangements provided to us by our lenders which may not continue after the completion of the Issue.***

Under certain financial arrangements with our lenders, our Promoters have given personal guarantees for repayment of the loans availed by us. If the financial condition of our Promoters deteriorates, our existing financing arrangements with our lenders may be adversely affected. This could have a material adverse effect on our business and financial condition.

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

As on March 31, 2016, our Company has unsecured loans amounting to Rs. 336.00 lakhs from Promoters and Members of Promoter Group and certain other entities which are repayable on demand. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on our business, cash flows and financial conditions. For further details of unsecured loans of our Company, please refer “Statement of Unsecured Loans” of chapter titled —Financial Information as Restated beginning on page 116 of this Prospectus.

***18. We require high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.***

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favorable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

***19. Certain information contained in this Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.***

Certain information contained in this Prospectus like data on land available for development, our funding requirements and our proposed use of issue proceeds is based solely on management estimates and has not been appraised by any bank or financial institution. The estimated project dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities or claims with respect to title of land, the ability of third parties to complete their services, delays, cost overruns or modifications to our on going and planned projects. Such circumstances can have an impact on our financial condition and results of operation.

***20. We require certain statutory and regulatory approvals and licenses in the ordinary course of our business. If we are unable to obtain renew or maintain any of such statutory or regulatory permits or approvals, it may have a material adverse effect on our business.***

We require certain statutory and regulatory approvals, licenses, registrations and permissions to operate our business. Our projects are at various stages of development/completion, and we have obtained approvals from statutory/regulatory authorities as are required at the various stages of development. We are also in the process of making applications to certain statutory/regulatory authorities for the approvals that will be required further. We will be required to obtain change in land use permissions, including from agricultural use to non-agricultural use and in certain cases, requisite environmental consents, fire safety clearances, commencement, completion and occupation certificates etc. from the relevant government authorities. The development plans and use of the projects may be subject to further changes, depending on various factors such as prevailing economic conditions, preferences of our customers and laws and regulations applicable to us from time to time.

We believe that we have complied considerably with such laws and regulations, as are applicable to our projects however, statutory/regulatory authorities may allege non-compliance and we cannot assure you that we will not be subjected to any such regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings. While we also believe that we will be able to obtain or renew the necessary permits and approvals as and when required; there can be no assurance that the relevant authorities will issue/renew any or all requisite permits or approvals in the time-frame anticipated by us, or at all. Failure by us to obtain, renew or maintain the required permits or approvals may result in the interruption of our operations or delay or prevent the development of our existing/future projects and may have a material adverse effect on our business, financial condition and results of operations. For more information please see the section titled “Government & Other Approvals” appearing on page 149 of this Prospectus.

***21. The success of our business operations depends largely upon our Promoter Directors and Key Managerial Personnel, the loss of any of them may negatively impact our business operations and financial conditions.***

Our success is highly dependent on the expertise and services of our Promoter Directors, Mr. Vinodkumar M. Thaker and Mr. Amitava Samanta, and key managerial personnel. Our ability to successfully function and meet future business challenges partly depends on our ability to attract and retain these key managerial personnel. We cannot assure you that we will be able to retain any or all of the key members of our management. The loss of the services of any key member of our management team could have an adverse effect on our ability to implement new projects and expand our business. For further details of our Promoter Directors and key managerial personnel, please refer to the section "Our Management" on page 94 of this Prospectus.

***22. We have entered into certain related party transactions and may continue to do so.***

We have entered into related party transactions with our Promoters, Promoter Group, Group Companies/Entities and Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. For details of these transactions, please refer to section titled "Related Party Transactions" at page 114 of this Prospectus.

***23. Our continued success depends upon availability of adequate labour on timely basis. Any work stoppages or other labour related problems could adversely affect our business.***

We require skilled and unskilled labour for successful running of our operations. Any shortage of adequate labour due to any labour related issues may affect smooth running of our operations and we may not be able to meet our project timelines. We maintain cordial relationship with the labour and have not encountered any work stoppages and other labour problems so far.

***24. We may not be able to identify suitable project sites or enter into Development Agreements for land development rights at reasonable cost or favourable terms which may adversely affect our business and results of operations.***

Our performance is dependent on our ability to identify the suitable projects sites or to enter into Development Agreements for acquiring land development rights at reasonable cost and on favourable terms. Further, there are other factors that are beyond our control like availability of suitable land, location, the willingness of landowners to assign land development rights on terms acceptable, the availability and cost of financing, encumbrances on targeted project sites, government directives on land use, obtaining the necessary permits and approvals for land development, etc. Such factors may impede our efforts to acquire development rights on acceptable/suitable terms and conditions. This may cause us to modify, delay or abandon projects, which could adversely affect our business and results of operations.

***25. The business and future results of operations of our Company may be adversely affected if we incur any time or cost overruns.***

Our Company's business plans are subject to various risks including time and cost overruns and delays in obtaining regulatory approvals. Further, there could also be unexpected delays and cost overrun in relation to our projected / future projects and thus, no assurance can be given to complete them on scheduled time and within the expected budget. If such changes take place during the course of development of any of our projects, then our projections regarding the costs, revenues, return on the project, profitability as well as our operations will be adversely affected.

***26. Delay in raising funds from the IPO could adversely impact our Cash flows and results of operations.***

The proposed objects, as detailed in the section titled "Objects of the Issue" are to be largely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

***27. Our Company has not complied with certain statutory provisions under Company Act, 2013 and has also delayed in filing of certain forms under the said Acts. Such non-compliance/lapses may attract penalties.***

Our Company has not obtained the valuation report for the allotment of 3,50,000 Equity shares and 10,25,000 Equity shares on dated 25.07.2016 and 01.08.2016 respectively from a registered valuer as per Company Act, 2013. Although no show cause notice have been issued by ROC against our Company till date in respect of the said non-compliance. We cannot assure you that we will not be subject to any penalty imposed by the competent regulatory authority in respect of such non compliance.

We have also delayed in filing of certain forms under Companies Act with ROC and although the Company has paid additional fees for the same, such non-compliance may result in penalties or other action against our Company.

***28. Our business is subject to various operating risks at our construction sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipments used at the project sites, weather conditions, interruption in power supply due to breakdown of power generators, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, industrial accidents, our inability to respond to technological advancements and emerging realty industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse affect on our business operations and financial conditions.

***29. Our insurance coverage may not be adequate.***

We have not maintained any insurance policy to provide adequate coverage to our assets except as mentioned under “Insurance Details” on page 80 of this Prospectus. Any damage or loss of our assets would have a material and adverse impact on our business operations and profitability.

***30. Our funding requirements and deployment of the issue proceeds are based on management estimates and have not been independently appraised by any bank or financial institution and actual cost may vary compared with the estimated amount.***

Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein are based on management’s current expectations and are subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

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

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

These facts and statistics are included in “Summary of Industry” and “Industry Overview” on pages 26 and 29 respectively of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.



***32. The Promoter and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.***

Upon completion of this Issue, our Promoters and Promoter Group will continue to own a majority of our Equity Shares. As a result, our Promoters will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares.

**B. Risks Related To Our Equity Shares and Equity Share Holders**

***33. Our Company has not paid dividends in the recent years. There is no guarantee that we will be able to pay dividends in the future.***

Our Company has not paid any dividend (including any interim dividend) on its shares during the preceding 3 financial years. Further, our ability to pay dividends in the future will depend upon a variety of factors, including our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements, if any. As a result, we cannot assure you that we will make dividends of any particular amount, with any particular frequency or at all.

***34. Any future issuance of Equity Shares may dilute your shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

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

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

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

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

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

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;



- c. Performance of Company's competitors;
- d. Adverse media reports on the Company or pertaining to the Industry in which we operate;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies;

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

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

The Issue Price of our Equity Shares has been determined by book build method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 61 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

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

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

**40. *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 will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been 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 realised 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 in India. For more details, please refer to "Statement of Tax Benefits" on page 61 of this Prospectus.

**External Risk Factors**

**41. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The following external risks may have an adverse impact on our business and results of operations should any of them materialize:

- A change in the central or state government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular;
- High rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins; and
- A slowdown in economic growth or financial instability in India could adversely affect our business and results of operations.
- Civil unrest, acts of violence, terrorists attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact our business. Such incidents could impact economic growth or create a perception that investment in Indian companies could involve higher degree in risk which could reduce the value of the equity shares.
- National disasters in India may disrupt or adversely effect the Indian economy which in turn may affect the health of our business.
- Any downgrading of Indian Sovereign rating by international credit rating agencies may negatively impact our business and access to capital.

***42. Changing laws, rules and regulations including adverse application of tax laws and regulations-such as application of goods and service tax could adversely affect our business, results of operations and cash flows.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. Please refer to the section “Key Industry Regulations and Policies” beginning on page 81 for details of the laws currently applicable to us. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects:

- The GoI proposed to revamp the implementation of direct taxes by way of the introduction of the Direct Taxes Code (“DTC”). The DTC proposes to consolidate and amend laws relating to income tax and wealth tax. The Government has indicated in the Union Budget for the financial year from April 1, 2016 to March 31, 2017, that the DTC shall not be pursued further.
- The GoI has proposed a comprehensive national GST regime that will combine taxes and levies by the Central and State Governments into a unified rate structure which has been tabled before the Parliament of India. While the GoI and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.
- Further, the General Anti Avoidance Rules (“GAAR”) are proposed to be effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

We have not determined the impact of these proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

***43. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies

Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

As stated in the reports of the Auditor included in this Prospectus on page 116, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

***45. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and the real estate industry contained in this Prospectus.***

While facts and other statistics in this Prospectus relating to India, the Indian economy and the real estate industry has been based on various government publications and reports from government and private agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled ‘Our Industry’ beginning on page 63 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

***46. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock

exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the BSE could adversely affect the trading price of the Equity Shares.

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

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

***48. 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 nonresidents 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.

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

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

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

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

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

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

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

Taxes and other levies imposed by the central or state governments in India that affect our industry including other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time. These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

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

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

***54. The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.***

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative, and would depend on numerous factors. The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 "avian flu" virus, or H1N1, the swine flu virus, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.

**PROMINENT NOTES**

1. Public Issue of 34,60,000 Equity Shares of Rs.10 each ("Equity Shares") for cash at a price of Rs. 30.00 per Equity Share (including share premium of Rs. 20/- per share), aggregating to Rs. 1038.00 lacs ("the Issue") by India Green Reality Limited ("IGRL" or the "Company" or the "Issuer"). Out of the Issue, 1,80,000 Equity Shares of Rs. 10 each at a price of Rs. 30 per Equity Share aggregating to Rs. 54.00 lacs, which will be reserved for subscription by Market Maker to the issue (the "Market Maker reservation portion") and Net Issue to the Public of 32,80,000 Equity Shares of Rs.10 each at a price of Rs. 30 each per Equity Share aggregating to Rs. 984.00 lacs (hereinafter referred to as the "Net Issue"). The Issue and the Net Issue will constitute 27.22% and 25.81%, respectively of the post issue paid up Equity Share capital of the Company.
2. This Issue is being made for at least 25% of the post issue paid up Equity Share capital of our Company, pursuant to Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:
  - a) Minimum fifty percent to retail individual investors; and
  - b) Remaining to:
    - i. Individual applicants other than retail individual investors; and
    - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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



3. The Net Worth of our Company is Rs. 564.33 lakhs and the Book Value of each Equity Share is Rs. 28.22 as on March 31, 2016 as per our Restated Financial Statements. For more information, please refer the Section titled “*Financial Information*” beginning on page no.116 of this Prospectus.
4. The average cost of acquisition per Equity Share by our Promoters:

Name of Promoter	No. of Shares held	Average cost (in Rs.)
Vinodkumar M. Thaker	68,25,954	9.92
Amitava Samanta	6,00,350	26.65

*Note: The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer the Equity Shares. For more information, please refer to the section titled “Capital Structure” on page 40 of this Prospectus.*

5. There was no change in the name of the Company at any time during last three years immediately preceding the date of filing of this offer document except conversion of the Company from Private Limited Company to Public Limited Company. For further details, please refer to the section titled “History and Certain Other Corporate Matters” on page 90 of this Prospectus
6. The Lead Manager and our Company shall keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
7. Except as disclosed in the section “*Objects of the Issue*”, “*Our Promoter Group/Group Companies/Entities*” and “*Our Management*” beginning on page nos. 54, 108 and 94 of this Prospectus, respectively, none of the Promoters, Directors or Key management personnel have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner or trustee and to the extent of the benefits arising out of such shareholding.
8. Other than as stated in the section titled “*Capital Structure*” on page no. 40 of this Prospectus, the Company has not issued any Equity Shares for consideration other than cash.
9. No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, key management employee, associate companies, or Group Companies.
10. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Financial Statements. For details, please see the section titled “*Financial Information*” beginning on page no. 116 of this Prospectus.
11. Investors may contact the Lead Manager or the Compliance Officer for any complaint / clarifications / information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, refer the front cover page.
12. In the event of over subscription, allotment shall be made on proportionate basis in consultation with the BSE Limited, the Designated Stock Exchange. For more information, please refer to “*Basis of Allotment*” on page 179 of this Prospectus. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
13. Investors are advised to refer to the paragraph on “*Basis for Issue Price*” on page 59 of this Prospectus before making an investment in this Issue.
14. Except as disclosed in the sections titled “Our Promoters” or “Our Management” beginning on pages 105 and 94 respectively of this Prospectus, none of our Promoters, our Directors and our Key Managerial Employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
15. Trading in Equity Shares for all investors shall be in dematerialized form only.



16. Except as mentioned in the sections titled “Capital Structure” beginning on page 40 of this Prospectus, we have not issued any Equity Shares in the last twelve months.
17. Any clarification or information relating to the Issue shall be made available by the LM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the LM for any complaints pertaining to the Issue. Investors are free to contact the LM for any clarification or information relating to the Issue who will be obliged to provide the same to the investor.
18. For transactions in Equity Shares of our Company by the Promoters, Promoter Group and Directors of our Company in the last six (6) months, please refer to paragraph under the section titled "Capital Structure" on page 40 of this Prospectus.
19. There are no contingent liabilities as on March 31, 2016.
20. For details of any hypothecation, mortgage or other encumbrances on the movable and immovable properties of our Company please refer to the section titled "*Financial Informations*" on page 116 of this Prospectus.
21. Except as disclosed in the section titled "*Our Promoter Group/Group Companies / Entities*" on page 108 none of our Group Companies have business interest in our Company.
22. For interest of Promoters please refer to the section titled “*Our Promoters*” beginning on page 105 of this Prospectus.
23. The details of transactions with the Group Companies/ Group Entity and other related party transactions are disclosed under the section titled “*Financial Information*” on page 116 of this Prospectus.

## **SECTION III: INTRODUCTION**

### **SUMMARY OF INDUSTRY**

*This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read this entire Prospectus, including the information on “Risk Factors” and related notes on page 11 of this Prospectus before deciding to invest in Equity Shares.*

#### **GLOBAL ECONOMIC OVERVIEW**

Output growth in the first quarter of 2016 was somewhat better than expected in emerging market and developing economies and roughly in line with projections for advanced economies, with better-than-expected euro area growth counterbalancing weaker U.S. growth. Productivity growth in most advanced economies remained sluggish, and inflation was below target owing to slack and the effect of past declines in commodity prices. Indicators of real activity were somewhat stronger than expected in China, reflecting policy stimulus, as well as in Brazil and Russia, with some tentative signs of moderation in Brazil’s deep downturn and stabilization in Russia following the rebound in oil prices. While global industrial activity and trade have been lackluster amid China’s rebalancing and generally weak investment in commodity exporters, recent months have seen some pick-up due to stronger infrastructure investment in China and higher oil prices.

The result of the U.K. referendum caught financial markets by surprise. In its immediate aftermath, equity prices declined worldwide. These prices have since rebounded, although as of mid-July bank equity valuations for U.K. and European banks remain substantially lower than before the referendum, and domestically focused U.K. equities are slightly weaker. Yields on safe assets have declined further, reflecting both higher global risk aversion and expectations of easier monetary policy going forward, particularly in the main advanced economies. The pound depreciated sharply—by around 10 percent in nominal effective terms between June 23 and July 15—with more limited changes for other major currencies. The prices of oil and other commodities declined moderately, but have remained well above those underpinning the assumptions for the April 2016 WEO.<sup>1</sup> Post-referendum asset price and exchange rate movements in emerging markets have been generally contained.

#### **Emerging Markets and Developing Economies**

Growth in emerging market and developing economies is projected to slow from 4.6 percent in 2014 to 4.2 percent in 2015, broadly as expected. The slowdown reflects the dampening impact of lower commodity prices and tighter external financial conditions—particularly in Latin America and oil exporters, the rebalancing in China, and structural bottlenecks, as well as economic distress related to geopolitical factors—particularly in the Commonwealth of Independent States and some countries in the Middle East and North Africa. In 2016, growth in emerging market and developing economies is expected to pick up to 4.7 percent, largely on account of the projected improvement in economic conditions in a number of distressed economies, including Russia and some economies in the Middle East and North Africa. As noted in earlier WEO reports, in many other emerging market and developing economies, much of the growth slowdown in recent years has amounted to a moderation from above trend growth.

#### **INDIAN ECONOMIC OVERVIEW**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 201516, the Indian economy will continue to grow more than 7 per cent in 201617. 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 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.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7.75 per cent during FY 201617, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years. Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15month period before the launch.

## **Recent Developments**

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity. India has emerged as one of the strongest performers with respect to deals across the world in terms of Mergers and Acquisitions (M&A). The total transaction value of M&A involving Indian companies stood at US\$ 26.3 billion with 930 deals in 2015 as against US\$ 29.4 billion involving 870 deals in 2014. In the M&A space, Telecom was the dominant sector, amounting to 40 per cent of the total transaction value. Also, Private equity (PE) investments increased 86 per cent yoy to US\$ 1.43 billion. Total private equity (PE) investments in India for 2015 reached a record high of US\$ 19.5 billion through 159 deals, according to the PwC Money Tree India report.

## **Government Initiatives**

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, 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. Finance Minister Mr. Arun Jaitley stated that the 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 give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP.

## **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 midyear update of United Nations World Economic Situation and Prospects, India is expected to grow at 7.6 per cent in 2015 and at 7.7 per cent in 2016.

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.

Furthermore, initiatives like Make in India and Digital India will play a vital role in driving the Indian economy.

## **INDIAN REAL ESTATE SECTOR**

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate developers, but foreign investors as well. The growth of the industry is attributed mainly to a large population base, rising income level, and rapid urbanisation. The sector comprises of four sub-sectors- housing, retail, hospitality, and commercial. While housing contributes to five-six percent of the country's gross domestic product (GDP), the remaining three sub-sectors are also growing at a rapid pace, meeting the increasing infrastructural needs.

The real estate sector has transformed from being unorganised to a dynamic and organized sector over the past decade. Government policies have been instrumental in providing support after recognising the need for infrastructure development in order to ensure better standard of living for its citizens. In addition to this, adequate infrastructure forms a prerequisite for sustaining the long-term growth momentum of the economy. The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade.

The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

### **Market Size**

The construction development sector in India has received foreign direct investment (FDI) equity inflows to the tune of US\$ 23,874.1 million in the period April 2000-September 2014. The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). In the period FY08-20, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Real estate has emerged as the second most active sector, raising US\$ 1.2 billion from private equity (PE) investors in the last 10 months. Foreign investors have bought tenanted office space worth over US\$ 2 billion in India in 2014, a four-fold rise compared to the previous year, in order to increase their rent-yielding commercial assets in Asia's third largest economy.

### **Major Market Players in India**

The Indian real estate sector has traditionally been an unorganised sector but it is slowly evolving into a more organised one. The sector is embracing professional standards and transparency with open arms. The major established domestic players in the sector are DLF, Unitech, Hiranandani Constructions, Tata Housing, Godrej Properties, Omaxe, Parsvanath, Raheja Developers, Ansal Properties and Infrastructure and Mahindra Lifespace Developers Ltd to name a few. International players who have made a name for themselves in India include Hines, Tishman Speyer, Emaar Properties, Ascendas, Capitaland, Portman Holdings and Homex.

### **Government Initiatives**

The Government of India along with the governments of the respective states have taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

### **Road Ahead**

Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

**Exchange Rate Used:** INR 1 = US\$ 0.0148 as on July 11, 2016

*References: Ministry of Finance, Press Information Bureau (PIB), Media Reports and Publications, Department of Industrial Policy and Promotion (DIPP), CREDAI*

<http://www.ibef.org/industry/real-estate-india.aspx>

[www.indiabudget.nic.in](http://www.indiabudget.nic.in)

<http://www.cci.in/pdfs/surveys-reports/Real-Estate-Sector-in-India.pdf>

<https://www.imf.org/external/pubs/ft/weo/2016/01/pdf/text.pdf>

Source: IMF, World Economic Outlook Update, July 2016

### **SECTION III: INTRODUCTION**

#### **SUMMARY OF BUSINESS**

Our Company was originally incorporated on September 29, 2009, as India Green Reality Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra Ordinary General Meeting held on January 27, 2016 and consequently, the name of our Company was changed to “India Green Reality Limited” vide a fresh Certificate of Incorporation dated February 24, 2016, issued by the Registrar of Companies, Ahmedabad, Gujarat. The corporate identification number (CIN) of our Company is U70101GJ2009PLC058214.

We are a real estate developer with a diversified portfolio of real estate projects and engaged in the business of development and sale of residential and commercial properties including identification and acquisition of land, development of land, acquisition of development rights of projects, marketing of projects/land. Our promoters Mr. Vinod kumar M. Thaker and Mr. Amitava Samanta has been associated with real estate development for over 10 years with fair knowledge of our business and industry and has been instrumental in the growth of our Company. We believe behind the India Green project is a highly skilled and experienced team of Site Engineers, Contractors, Architects, Supervisors, and other domain experts.

Our real estate projects are broadly classified as set forth below:

- *Residential Projects:* The residential projects include townships, bungalows, resorts, club houses, and other residential projects.
- *Commercial Projects:* The commercial projects include resorts, retail and hospitality projects.

Currently, we are having three diversified projects at West Bengal and Gujarat and focusing on opportunities to build our brand in these two states. We are building bungalows of varying sizes with focus on affordable pricing at Sonarpur-Kolkata and Shantiniketan -Bolpur, both projects in the state of West Bengal. We are developing and selling plot of land and constructing bungalows as well at Nal Sarover, Gujarat. Our forthcoming projects are at Jaisalmer-Rajasthan, and Sasan Gir-Gujarat.

We are member of Confederation of Real Estate Developers Associations of India (CREDAI), a prominent body for real estate developers in India. We are also the member of The Gujarat Institute of Housing & Estate (TGIHE), Green Building Council (IGBC) and Builders' Association of India (BAI).

As of now, the majority of the projects undertaken by us include land & site development including land filling, land clearing, leveling and dressing of land and making it ready for construction work etc. and civil construction projects, which include commercial, residential and industrial structures etc. As part of our growth plans we are continuously working to strengthen our infrastructure, enhance our presence and building the capabilities to execute end to end projects on our own. Our customers include both high income and mid income customers.

#### ***Our Strengths:***

We derive our strengths from following factors:

- Experienced and professional management team
- Ensuring quality, safety and productivity
- Projects in hand
- Development of projects through joint development Model

#### ***Our Business Strategy:***

The following are our key business strategies:

- To focus on improving quality standards and cost structure
- Promotion of our brand recognition
- Increase geographical presence.
- Develop and maintain strong relationships with strategic partners
- Focus on Performance and Project Execution

## SUMMARY OF FINANCIALS

The following summary of financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Peer Review Auditor's Report in the chapter titled "*Financial Information*" beginning on page 116 of this Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the year ended March 31, 2016, 2015, 2014, 2013, and 2012 including the notes thereto and the chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 137 of this Prospectus.

### Statement of Assets and Liabilities, as Restated

### ANNEXURE-I (Rs. in Lacs)

Sr. No.	Particulars	As at March 31,				
		2016	2015	2014	2013	2012
	<b>EQUITY AND LIABILITIES</b>					
1)	<b>Shareholders Funds</b>					
	a. Share Capital	200.00	200.00	61.00	61.00	61.00
	b. Reserves & Surplus	364.33	136.79	144.59	129.15	121.47
2)	<b>Non Current Liabilities</b>					
	a. Long Term Borrowings	818.74	675.14	624.58	496.37	521.46
	b. Deferred Tax Liabilities	-	-	2.30	1.34	0.72
	c. Other Long Term Liabilities	-	10,455.84	7,554.84	5,107.53	3,093.18
3)	<b>Current Liabilities</b>					
	a. Short Term Borrowings	-	-	-	-	-
	a. Trade Payables	676.20	707.79	793.82	1,110.54	415.20
	b. Other Current Liabilities	8,966.76	549.01	600.49	653.60	774.69
	c. Short Term Provisions	47.51	-	0.66	-	37.31
	<b>TOTAL</b>	<b>11,073.54</b>	<b>12,724.57</b>	<b>9,782.28</b>	<b>7,559.53</b>	<b>5,025.03</b>
	<b>ASSETS</b>					
1)	<b>Non Current Assets</b>					
	a. Fixed Assets					
	i. Tangible Assets	274.06	256.83	237.75	172.96	72.18
	ii. Intangible Assets	0.54	0.54	0.54	-	-
	Less: Accumulated Depreciation	133.85	98.94	55.63	29.30	8.33
	iii. Capital Work in Progress	107.15	107.15	104.20	-	-
	<b>Net Block</b>	<b>247.90</b>	<b>265.58</b>	<b>286.86</b>	<b>143.66</b>	<b>63.85</b>
	b. Deferred Tax Assets (Net)	6.02	4.08	-	-	-
	c. Long Term Loans & Advances	49.11	9.68	28.79	13.12	0.75
						-
2)	<b>Current Assets</b>					
	a. Inventories	8,297.11	7,179.15	5,209.25	1,933.42	572.36
	b. Trade Receivables	1,778.90	1,278.22	1,282.83	1,251.73	1,439.09
	c. Cash and Cash Equivalents	98.85	223.91	36.69	107.39	36.42
	d. Short Term Loans & Advances	595.65	3,763.95	2,937.86	4,110.21	2,912.56
	e. Other Current Assets	-	-	-	-	-
	<b>TOTAL</b>	<b>11,073.54</b>	<b>12,724.57</b>	<b>9,782.28</b>	<b>7,559.53</b>	<b>5,025.03</b>



**Statement of Profit and Loss, as Restated**

**ANNEXURE-II**  
(Rs. in Lacs)

Sr • N o.	Particulars	For the year ended March 31,				
		2016	2015	2014	2013	2012
<b>A</b>	<b>INCOME</b>					
	Revenue from Operations	3,936.92	57.24	52.69	158.12	1,367.84
	Other Income	199.93	86.42	42.17	11.59	1.71
	<b>Total Income (A)</b>	<b>4,136.85</b>	<b>143.66</b>	<b>94.86</b>	<b>169.71</b>	<b>1,369.55</b>
<b>B</b>	<b>EXPENDITURE</b>					
	Purchase of Stock in Trade	3,106.73	790.24	1,746.74	-	211.97
	Changes in inventories of finished goods, traded goods and work-in-progress	(1,117.96)	(1,969.89)	(3,275.83)	(1,361.07)	(556.49)
	Employee benefit expenses	191.69	177.88	154.30	143.15	85.39
	Finance costs	3.77	11.32	3.50	8.79	1.67
	Depreciation and amortisation expense	34.91	43.31	26.33	21.06	7.86
	Other Expenses	1,574.36	1,099.86	1,416.83	1,346.71	1,515.89
	<b>Total Expenses (B)</b>	<b>3,793.50</b>	<b>152.72</b>	<b>71.87</b>	<b>158.64</b>	<b>1,266.29</b>
<b>C</b>	<b>Profit before extraordinary items and tax</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	Prior period items (Net)	-	-			
	<b>Profit before exceptional, extraordinary items and tax (A-B)</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	Exceptional items		-	-	-	
	<b>Profit before extraordinary items and tax</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	Extraordinary items	-	-	-	-	-
<b>D</b>	<b>Profit before tax</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	<i>Tax expense :</i>					
	(i) Current tax	117.75	5.12	6.59	2.77	33.79
	(ii) Deferred tax	(1.94)	(6.38)	0.96	0.62	0.72
	(iii) Income Tax for Earlier Years	-	-	-	-	-
<b>E</b>	<b>Total Tax Expense</b>	<b>115.81</b>	<b>(1.26)</b>	<b>7.55</b>	<b>3.39</b>	<b>34.51</b>
						.
<b>F</b>	<b>Profit for the year (D-E)</b>	<b>227.54</b>	<b>(7.80)</b>	<b>15.44</b>	<b>7.68</b>	<b>68.75</b>

**Statement of Cash Flow, as Restated**
**ANNEXURE-III**

(Rs. in Lacs)

Particulars	For the year ended March 31,				
	2016	2015	2014	2013	2012
<b>Cash Flow From Operating Activities:</b>					
Net Profit before tax as per Profit And Loss A/c	343.35	(9.06 )	22.99	11.07	103.26
<b>Adjustments for:</b>					
Depreciation & Amortisation Expense	34.91	43.31	26.33	21.06	7.86
Interest Expense	3.77	11.32	3.50	8.79	1.67
Interest Income	-	-	(0.85 )	(0.01 )	-
<b>Operating Profit Before Working Capital Changes</b>	<b>382.03</b>	<b>45.57</b>	<b>51.97</b>	<b>40.91</b>	<b>112.79</b>
Adjusted for (Increase)/ Decrease in:					
Inventories	(1,117.96 )	(1,969.89 )	(3,275.83 )	(1,361.07 )	(556.49 )
Trade Receivables	(500.68 )	4.61	(31.11 )	187.36	(759.88)
Short Term Loans & Advances	3,128.86	(806.99 )	1,156.69	(1,210.01 )	(512.81 )
Trade Payables	(31.60 )	(86.02 )	(316.72 )	695.34	247.76
Other Current Liabilities	8,417.76	(51.48 )	(53.11 )	(121.09 )	(2,100.89 )
<b>Cash Generated From Operations</b>	<b>10,278.41</b>	<b>(2,864.20 )</b>	<b>(2,468.11 )</b>	<b>(1,768.56 )</b>	<b>(3,569.52 )</b>
Net Income Tax paid/ refunded	(70.24 )	(5.78 )	(5.93 )	(40.17 )	(29.25 )
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>10,208.17</b>	<b>(2,869.98 )</b>	<b>(2,474.04 )</b>	<b>(1,808.73 )</b>	<b>(3,598.77 )</b>
<b>Cash Flow From Investing Activities:</b>					
Purchase of Fixed Assets (including capital work in progress)	(17.23 )	(22.03 )	(169.53 )	(100.77 )	(48.24 )
Interest Income	-	-	0.85	0.01	-
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(17.23 )</b>	<b>(22.03 )</b>	<b>(168.68 )</b>	<b>(100.76 )</b>	<b>(48.24 )</b>
<b>Cash Flow from Financing Activities:</b>					
Proceeds From issue of Share Capital	-	139.00	-	-	60.00
Net Increase/(Decrease) in Borrowings	143.61	50.55	128.21	(25.10 )	521.46
Net Increase/(Decrease) in Other Long Term Liabilities	(10,455.84 )	2,901.00	2,447.31	2,014.35	3,093.18
Interest paid	(3.77 )	(11.32 )	(3.50 )	(8.79 )	(1.67 )
<b>Net Cash Flow from/(used in) Financing Activities ( C )</b>	<b>(10,316.00 )</b>	<b>3,079.23</b>	<b>2,572.02</b>	<b>1,980.46</b>	<b>3,672.97</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(125.06 )</b>	<b>187.22</b>	<b>(70.70 )</b>	<b>70.97</b>	<b>25.96</b>
Cash & Cash Equivalents As At Beginning of the Year	223.91	36.69	107.39	36.42	10.46
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>98.85</b>	<b>223.91</b>	<b>36.69</b>	<b>107.39</b>	<b>36.42</b>

## THE ISSUE

### Present Issue in terms of this Prospectus

<b>Equity Shares Offered:</b> Public Issue of Equity Shares by our Company	34,60,000 Equity Shares of Rs. 10 each (the “Equity Shares”) for cash at a price of Rs. 30 per Equity Share aggregating Rs. 1038.00 lacs
<b>Of which:</b>	
<b>Issue Reserved for the Market Makers</b>	1,80,000 Equity Shares of Rs. 10 each at a price of Rs. 30 per Equity Share aggregating Rs. 54.00 Lacs
<b>Net Issue to the Public</b>	32,80,000 Equity Shares of Rs. 10 each at a price of Rs. 30 per Equity Share aggregating Rs. 984.00 Lacs
<b>Equity Shares outstanding prior to the Issue</b>	92,50,000 Equity Shares of face value of Rs. 10 each
<b>Equity Shares outstanding after the Issue</b>	1,27,10,000 Equity Shares of face value of Rs. 10 each
<b>Objects of the Issue</b>	Please refer section titled “ <i>Objects of the Issue</i> ” on page 54 of this Prospectus

*This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page no.165 of this Prospectus.*

*The Issue has been authorized by a resolution of the Board of Directors, dated June 20, 2016 and by a resolution of the shareholders of our Company in the EGM held on July 15, 2016 under section 62(1) (c) of the Companies Act, 2013.*

As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ is the net offer to the public category shall be made as follows:

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

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

### GENERAL INFORMATION

Our Company was originally incorporated on September 29, 2009, as India Green Reality Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra Ordinary General Meeting held on January 27, 2016 and consequently, the name of our Company was changed to “India Green Reality Limited” vide a fresh Certificate of Incorporation dated February 24, 2016, issued by the Registrar of Companies, Ahmedabad, Gujarat.

Registered Office of our Company	Corporate Office of our Company
12, Satyam Mall, near Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India Tel No: +91-79-4009 6471 Email: <a href="mailto:compliance@indiagreenreality.com">compliance@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>	308, 3 <sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road, Ahmedabad -380015, Gujarat, India Tel No: +91-79-4800 8787 Email: <a href="mailto:compliance@indiagreenreality.com">compliance@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>
Branch Office of our Company	
BA 29/30, Rajdanga Main Road , Near Gitanjali Stadium, Kolkata -700107, West Bengal , India Tel No: +91-33-66199999 Email: <a href="mailto:compliance@indiagreenreality.com">compliance@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>	86A, Topsia Road , Room no. 105 (1 <sup>st</sup> Floor), Kolkata-700046, West Bengal , India Tel No: +91-33-645553469 Email: <a href="mailto:compliance@indiagreenreality.com">compliance@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>

<b>Registration Number</b>	058214
<b>Corporate Identification Number (CIN)</b>	U70101GJ2009PLC058214
<b>Address of Registrar of Companies (ROC)</b>	Roc Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India
<b>Designated Stock Exchange</b>	BSE Limited
<b>Listing of Shares offered in this Issue</b>	SME Platform of BSE Limited
<b>Contact Person:</b>	<b>Mr. Nirav Shah,</b> 308, 3 <sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road. Ahmedabad – 380015, Gujarat, India Tel: +91- 79 - 48008787 Email: <a href="mailto:compliance@indiagreenreality.com">compliance@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>

#### Board of Directors:

Our Board of Directors comprise of the following members:

Name	Designation	DIN	Address
Mr. Vinodkumar M. Thaker	Chairman & Managing Director	00410719	D/402, Sajan Apartments, Satellite, Ahmedabad- 380015, Gujarat, India
Mr. Amitava Samanta	Whole Time Director	01364873	Akashleena, 3 <sup>rd</sup> Floor, 83, Purbachal, PO-Haltu, Kolkata - 700078, West Bengal, India
Ms. Dhanpreetkaur M. Makhija	Non Executive Director	07424433	63 Monarch City-01, Near Shanti Asiatik School, Apple wood to Shela Road, S.P. ring Road, Shela, Ahmedabad-380058, Gujarat, India
Mr. Shankar P. Bhagat	Non-Executive Independent Director	01359807	A-9, Sharin Park, Bodakdev, Ahmedabad - 380054, Gujarat, India
Mr. Manoharbhair B. Chunara	Non-Executive Independent Director	07280916	1, Modi Compound, Bunglow Area Road, Saijpur Bogha, Ahmedabad – 382345, Gujarat, India

For further details of Management of our Company, please refer to section titled "Our Management" on page 94 of this Prospectus.

Company Secretary & Compliance Officer	Chief Financial Officer
<b>Mr. Nirav Shah,</b> 308, 3 <sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road, Ahmedabad – 380015, Gujarat, India Tel: 91- 79 - 48008787 E-Mail: Email: <a href="mailto:compliance@indiagreenreality.com">compliance@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>	<b>Mr. Manmindersingh S. Makhija,</b> 308, 3 <sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road, Ahmedabad – 380015, Gujarat, India Tel: 91- 79 -48008787 E-Mail: <a href="mailto:cfo@indiagreenreality.com">cfo@indiagreenreality.com</a> Website: <a href="http://www.indiagreenreality.com">www.indiagreenreality.com</a>

**Note:** Investors can contact our Compliance Officer in case of any pre-Issue or post-Issue related matters such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, refund orders etc.

#### Details of Key Intermediaries pertaining to this Issue and our Company:

Lead Manager of the Issue	Registrar to the Issue
<b>Guinness Corporate Advisors Private Limited</b> 18, Deshapriya Park Road, Kolkata - 700 026, West Bengal, India <b>Tel:</b> +91-33-30015555 <b>Fax:</b> +91-33- 3001 5531 <b>Email:</b> <a href="mailto:gcapl@guinnessgroup.net">gcapl@guinnessgroup.net</a> <b>Website:</b> <a href="http://www.guinnessonline.net">www.guinnessonline.net</a> <b>Contact Person:</b> Ms. Alka Mishra /Mr. Gaurav Khandelwal <b>SEBI Registration No.:</b> INM 000011930	<b>Karvy Computershare Private Limited</b> Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, Andhra Pradesh, India <b>Tel:</b> +91 – 40 – 6716 2222 <b>Fax:</b> +91 – 40 – 2343 1151 <b>E-mail:</b> <a href="mailto:indiagreen.ipo@karvy.com">indiagreen.ipo@karvy.com</a> <b>Website:</b> <a href="http://www.karisma.karvy.com">www.karisma.karvy.com</a> <b>Contact Person:</b> M. Murali Krishna <b>SEBI Registration No:</b> INR000000221
Banker to the Issue	Legal Advisor to the Issue
<b>ICICI Bank Limited</b> Capital Market Division, 1 <sup>st</sup> Floor, 122, Mistry Bhawan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020 Tel. : 022 2285 9922 Fax : 022 -2261 1138 E mail: <a href="mailto:rishav.bagrecha@icicibank.com">rishav.bagrecha@icicibank.com</a> Website: <a href="http://www.icicibank.com">www.icicibank.com</a> Contact Person: Mr. Rishav Bagrecha SEBI Registration No. INB100000004	<b>Mishra &amp; Mishra Advocates,</b> (Advocates & Solicitors) 4 <sup>th</sup> Floor Room No. 89, Temple Chambers, 6 Old Post Office Street, Kolkata - 700001 <b>Tel No.:</b> +91 – 33-22315126 <b>Fax No.:</b> +91 – 33-22315126 <b>Email:</b> <a href="mailto:mishraadv@gmail.com">mishraadv@gmail.com</a> <b>Contact Person:</b> Mr. Shailesh Mishra
Bankers to the Company	
<b>Allahabad Bank</b> Haragouritala, P.O.- Bolpur, Dist- Birbhum -731204, West Bengal, India <b>Tel No:</b> +91-3463- 254284, 252853 <b>Fax No:</b> +91-33-252853 <b>Email:</b> <a href="mailto:br.bolpur@allahabadbank.in">br.bolpur@allahabadbank.in</a> <b>Website:</b> <a href="http://www.allahabadbank.in">www.allahabadbank.in</a> <b>Contact Person:</b> Mr. K R N Mohanty	<b>Canara Bank</b> 221, B B Chatterjee Road, Kasba, Rathtala, Kolkata- 700042 West Bengal, India <b>Tel No:</b> +91-33-24417094 <b>Email:</b> <a href="mailto:cb3294@canarabank.com">cb3294@canarabank.com</a> <b>Website:</b> <a href="http://www.canarabank.com">www.canarabank.com</a> <b>Contact Person:</b> Mr. Biswarup Paul
<b>Kotak Mahindra Bank</b> 67A/1, R. K. Chatterjee Road, Police Station Kasba, Kolkata- 700042 West Bengal, India <b>Tel No:</b> +91-33-24429050 <b>Email:</b> <a href="mailto:06582_kolkatakasba_referral@kotak.com">06582_kolkatakasba_referral@kotak.com</a> <b>Website:</b> <a href="http://www.kotak.com">www.kotak.com</a> <b>Contact Person:</b> Ms. Archana Mishra/ Mr. Arnab Chakraborty	<b>Central Bank of India</b> Mithakhali Branch, Sardar Patel Nagar Road, Navrangpura, Ahmedabad - 380007 Gujarat, India, <b>Tel No:</b> +91-79-2646173 <b>Fax:</b> +91-79-26466309 <b>Email:</b> <a href="mailto:bmahme0553@centralbank.co.in">bmahme0553@centralbank.co.in</a> <b>Website:</b> <a href="http://www.centralbankofindia.co.in">www.centralbankofindia.co.in</a> <b>Contact Person:</b> Mr. Brajesh Kumar
Statutory Auditor of the Company	Peer Review Auditor
<b>Dhaval Padiya and Co.</b> Chartered Accountants	<b>A D V &amp; Associates</b> Chartered Accountants

F-101, ShayonaTilak Residency, Opp. Devnandan Flat, New S.G. Road, Gota, Ahmedabad-382481, Gujarat, India <b>Tel No:</b> +91- 99787 92564 <b>Email:</b> <a href="mailto:dhavalpadiyaca@gmail.com">dhavalpadiyaca@gmail.com</a> <b>Contact Person:</b> CA. Dhaval Padiya <b>Firm Registration No.:</b> 140653W	88, Amba Bhavan, Ground Floor, 6 <sup>th</sup> Road, Prabhat Colony, Santacruz Esat, Mumbai 400055, Maharashtra, India <b>Tel :</b> +91-22- 26832311/12 <b>E-mail:</b> <a href="mailto:advassociates@gmail.com">advassociates@gmail.com</a> <b>Contact Person:</b> CA Ankit Rathi <b>Firm Registration No.:</b> 128045W
---	---

### Self Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (“ASBA”) process are provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>.

The details on designated branches of SCSBs collecting the ASBA Application Form, are provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>.

### Registered Brokers/ Registrar and Share Transfer Agents/ CDPs

The list of the Registered Brokers, Registrar and Share Transfer Agents, CDPs, eligible to accept ASBA Forms at the respective designated locations, including details such as postal address, telephone number and email address, are provided on the websites of BSE at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) for Registered Brokers and <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and for Registrar and Share Transfer Agents and CDPs, as updated from time to time.

For further details, please see “Issue Procedure” on page 171 of this Prospectus.

### Credit Rating

As the Issue is of Equity Shares, credit rating is not mandatory.

### Trustees

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

### IPO Grading

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

### Brokers to the Issue

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

### Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 500.00 Crores. Since the Issue size is below Rs. 500.00 Crores, our Company has not appointed any monitoring agency for this Issue. However, audit committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

### Debenture Trustees

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

### Appraising Authority

None of the objects of the Issue have been appraised by any appraising agency.



### Inter-Se Allocation of Responsibilities

Since Guinness Corporate Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation responsibilities among Lead Manager's is not required.

### Expert Opinion

Our Company has not obtained any expert opinion except the report of the Peer Reviewed Auditor on the Restated Financial Statements and on the Statement of Tax Benefits.

### Details of Underwriter & Underwriting Agreement

This Issue is 100% Underwritten. The Underwriting Agreement is dated August 25, 2016. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are several and are subject to certain conditions specified therein. The Underwriter have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name and Address of the Underwriter	Number of Equity Shares Underwritten	Amount Underwritten (Rupees In Lacs)
<b>Guinness Corporate Advisors Private Limited</b> 18, Deshapriya Park Road, Kolkata-700 026, West Bengal, India <b>Tel :</b> +91-33-3001 5555; <b>Fax:</b> +91-33- 3001 5531; <b>Email:</b> <a href="mailto:gcapl@guinnessgroup.net">gcapl@guinnessgroup.net</a> <b>Website:</b> <a href="http://www.guinessonline.net">www.guinessonline.net</a> <b>Contact Person:</b> Ms. Alka Mishra /Mr. Gaurav Khandelwal <b>SEBI Regn. No:</b> INM 000011930	34,60,000*	1038.00
<b>Total</b>		

*\*Includes 1,80,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

In the opinion of the Board of Directors of the Company, considering the resources of the above mentioned underwriter and the potential investment lined up by it for the issue, underwriter is in a position to discharge its underwriting obligation.

### Details of the Market Making Arrangement for this Issue

Our Company has entered into an agreement dated August 25, 2016 with the Lead Manager and Market Maker to fulfill the obligations of Market Making.

### Details of the Market Making Arrangement for this Issue:

<b>Name</b>	<b>Guinness Securities Ltd.</b>
<b>Corporate Office Address</b>	Guinness House, 18, Deshapriya Park Road, Kolkata-700 026
<b>Tel</b>	+91-33-3001 5555
<b>Fax</b>	+91-33-2464 6969
<b>Email</b>	<a href="mailto:kmohanty@guinnessgroup.net">kmohanty@guinnessgroup.net</a>
<b>Website</b>	<a href="http://www.guinessonline.net">www.guinessonline.net</a>
<b>Contact Person</b>	Mr. Kuldeep Mohanty
<b>SEBI Regn. No.</b>	INB 011146033

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 %. (Including the 5 % of Equity Shares of the Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
7. The Shares of the Company will be traded in continuous trading session from the time and day the Company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI Circulars.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems or any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market

(offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

12. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
  - Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Exchange/ Platform.

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

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

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

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

## CAPITAL STRUCTURE

The share capital of the Company as at the date of this Prospectus, before and after the Issue, is set forth below:

(Rs. in Lacs, except share data)

Sr. No	Particulars	Aggregate value at face value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorized Share Capital</b>		
	1,27,50,000 Equity Shares of face value of Rs.10 each	1275.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-up Equity Share Capital before the Issue</b>		
	92,50,000 Equity Shares of face value of Rs. 10 each	925.00	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus*</b>		
	Issue of 34,60,000 Equity Shares of Rs. 10 each at a price of Rs. 30.00 per Equity Share.	346.00	1038.00
	<b>Which Comprises:</b>		
	1,80,000 Equity Shares of Rs. 10/- each at a price of Rs. 30.00 per Equity Share reserved as Market Maker Portion	18.00	54.00
	Net Issue to Public of 32,80,000 Equity Shares of Rs. 10/- each at a price of Rs. 30.00 per Equity Share to the Public	328.00	984.00
	<b>of which:</b>		
	16,40,000 Equity Shares of Rs.10/- each at a price of Rs. 30.00 per Equity Share will be available for allocation to Retail Individual Investors up to Rs. 2.00 lacs	164.00	492.00
	16,40,000 Equity Shares of Rs. 10/- each at a price of Rs. 30.00 per Equity Share will be available for allocation to Other than Retail Individual Investors above Rs. 2.00 lacs	164.00	492.00
<b>D.</b>	<b>Equity capital after the Issue</b>		
	1,27,10,000 Equity Shares of Rs. 10 each	1271.00	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	512.50	
	After the Issue	1204.50	

*This Issue has been authorized by the Board of Directors pursuant to a board resolution June 20, 2016 and by the shareholders of our Company pursuant to a special resolution dated July 15, 2016 passed at the EGM of shareholders under section 62 (1) (c) of the Companies Act, 2013.*

Our Company has no outstanding partly paid-up shares/convertible instruments/ warrants as on the date of this Prospectus.

### Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs. 10.00 each only.

### Changes in the Authorized Share Capital of Our Company:

S. N.	Particulars of Change		Date of Shareholder's Meeting	Meeting AGM/EGM
	From (in Rs.)	To (in Rs.)		
1	50,00,000		-	Incorporation
2	50,00,000	2,00,00,000	March 31, 2012	EGM
3	2,00,00,000	7,50,00,000	July 01, 2016	EGM
4	7,50,00,000	9,25,00,000	July 27, 2016	EGM
5	9,25,00,000	12,75,00,000	August 29, 2016	EGM

## Notes Forming Part of Capital Structure

### 1. Equity Share Capital History of our Company

Date of issue/ allotment of Shares	No. of Equity Shares Issued	Face value (Rs.)	Issue price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid-up share capital (Rs.)	Cumulative share premium (Rs.)
On incorporation	10,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	10,000	1,00,000	-
31/03/2012	5,00,000	10	10	Cash	Further Allotment <sup>(ii)</sup>	5,10,000	51,00,000	-
31/03/2012	1,00,000	10	10	Cash	Further Allotment <sup>(iii)</sup>	6,10,000	61,00,000	-
31/03/2015	13,90,000	10	10	Cash	Rights Issue in the ratio of 139:61 <sup>(iv)</sup>	20,00,000	200,00,000	-
25/07/2016	3,50,000	10	75	Cash	Private Placement (Conversion of Loan into equity shares) <sup>(v)</sup>	23,50,000	2,35,00,000	2,27,50,000
28/07/2016	58,75,000	10	Nil	Other than cash	Bonus issue <sup>(vi)</sup>	82,25,000	8,22,50,000	-
01/08/2016	10,25,000	10	60	Cash	Private Placement (Conversion of Loan into equity shares) <sup>(vii)</sup>	92,50,000	9,25,00,000	5,12,50,000

#### List of Allottees as per allotment details mentioned above:

##### (i) The Subscribers to the Memorandum of Association of our Company are:

Sr. No.	Name of Allottees	No. of Equity Shares
1	Vinodkumar M Thaker	9,900
2	Amitava Samanta	100

##### (ii) Further Allotment of 5,00,000 Equity Shares:

Sr. No.	Name of Allottees	No. of Equity Shares
1	Vinodkumar M. Thaker	5,00,000

##### (iii) Further Allotment of 1,00,000 Equity Shares:

Sr. No.	Name of Allottees	No. of Equity Shares
1	Amitava Samanta	1,00,000

##### (iv) Rights Issue of 13,90,000 in the ratio of 139:61(139 equity shares for every 61 Equity Shares held on the record date i.e. March 31, 2015) was offered to all the existing shareholders.

Out of Two Equity Shareholders as on record date one Equity Shareholder Mr. Amitava Samanta had renounced their right entitlement in respect of the equity shares held by them to Mr. Vinodkumar M. Thaker.

Sr. No.	Name of Allottees	No. of Equity Shares
1	Vinodkumar M Thaker	13,90,000

(v) *Private Placement (Conversion of unsecured Loan into equity shares) of 3,50,000 Equity Shares:*

Sr. No.	Name of Allottees	No. of Equity Shares
1	Vinodkumar M Thaker	3,50,000

(vi) *Bonus Issue of 58,75,000 Equity Shares in the ratio of (25:10) Twenty Five equity shares for every Ten equity share held:-*

Sr. No.	Name of Allottees	No. of Equity Shares
1	Vinodkumar M Thaker	41,99,625
2	Amitava Samanta	2,50,250
3	Akshay Bhai Mehta	1,66,667
4	Nipa Ben Gandhi	83,333
5	Payal Ben Gandhi	83,333
6	Divya Ben Gandhi	83,333
7	Devila Ben Gandhi	83,333
8	Varsha Ben Mehta	83,333
9	Mehul Kumar Gandhi	83,333
10	Yagneshbhai Gandhi	83,333
11	Nitin Bhai Gandhi	83,333
12	Pinal Ben Shah	93,750
13	Rakshit M Shah	93,750
14	Rakeshbhai babulal Patel	1,16,668
15	Sangeetaben V Thaker	25
16	Manmindersing M Makhija	25
17	Virendrakumar M Thaker	25
18	Dhanpreetkaur M Makhija	25
19	Raj V Thaker	25
20	Hiten R Mehta	89,844
21	Meeta H Mehta	1,34,766
22	Bharat D Parikh	62,891
	<b>Total</b>	<b>58,75,000</b>

(vii) *Private Placement (Conversion of unsecured Loan into equity shares) of 10,25,000 Equity Shares:*

Sr. No.	Name of Allottees	No. of Equity Shares
1	Vinodkumar M Thaker	4,12,330
2	Amiatava Samanta	2,50,000
3	Sangeetaben V Thaker	18,333
4	Virendrakumar M Thaker	2,68,937
5	Taraben M Thaker	42,917
6	Manisha V Thaker	32,483
	<b>Total</b>	<b>10,25,000</b>

2. We have not issued any Equity Shares for consideration other than cash except as set forth below:

Date of allotment	Nos. of shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of allotment	Benefit Accrued to our Company
28/07/2016	58,75,000	10	-	Other than Cash	Bonus in the ratio of 25:10	Nil

For details of allottees of the above allotments, please see notes under the table titled "Equity Share Capital History of our Company" on page 90 of this Prospectus.

- As on the date of this Prospectus, our Company does not have any Preference Share Capital.
- We have not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- No Equity Shares have been allotted pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.



## 6. Issue of Shares in the last two preceding years

For details of issue of Equity Shares by our Company in the last two preceding years, please refer table titled *“Equity Share Capital History of our Company”* under section Capital Structure on page 41 of this Prospectus.

## 7. We have not issued any equity shares at a price lower than the Issue Price within the last one year from the date of this Prospectus except as set forth below:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of allotment
28/07/2016	58,75,000	10	Nil	Other than Cash	Bonus issue in the ratio of twenty five equity shares for every ten equity shares held

## 8. Capital Build up of our Promoters:

Set forth below are the details of the build-up of the shareholding of our Promoters:

Date of Allotment /Transfer/ Acquisition	Consideration	Nature of Issue	No of Equity Shares	Sources of funds (Owned/ Borrowed)	Issue Price/Acquisition Price/ Transfer Prices	Percent age of Pre-Issue paid up capital	Percent age of Post issue paid up capital
<b>Vinodkumar M Thaker</b>							
On Incorporation	Cash	Subscription to MOA	9,900	Owned	10.00	0.11	0.08
31-03-2012	Cash	Allotment	500,000	Owned	10.00	5.41	3.93
31-03-2015	Cash	Rights Basis Allotment	13,90,000	Owned	10.00	15.03	10.94
29-12-2015	Cash	Transferred to Manmindersingh S. Makhija	(10)	Owned	10.00	(Negligible)	(Negligible)
	Cash	Transferred to Sangeeta V Thaker	(10)	Owned	10.00	(Negligible)	(Negligible)
	Cash	Transferred to Virendrakumar M Thaker	(10)	Owned	10.00	(Negligible)	(Negligible)
	Cash	Transferred to Dhanpreetkaur M Makhija	(10)	Owned	10.00	(Negligible)	(Negligible)
	Cash	Transferred to Raj V Thaker	(10)	Owned	10.00	(Negligible)	(Negligible)
30-04-2016	Cash	Transferred to Nitin Bhai Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)
04-05-2016	Cash	Transferred to Mipa Ben Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)
	Cash	Transferred to Payal Ben Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)
	Cash	Transferred to Divya Ben Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)
	Cash	Transferred to Devila Ben Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)
	Cash	Transferred to Varsha Ben Mehta	(33,333)	Owned	15.00	(0.36)	(0.26)
	Cash	Transferred to Mehul Kumar Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)

	Cash	Transferred to Yagneshbhai Gandhi	(33,333)	Owned	15.00	(0.36)	(0.26)
	Cash	Transferred to Pinal Ben Shah	(115,000)	Owned	10.00	(1.24)	(0.90)
	Cash	Transferred to Akshay Bhai Mehta	(66,667)	Owned	15.00	(0.72)	(0.52)
15-05-2016	Cash	Transferred to Rakeshbhai babulal patel	(46,667)	Owned	15.00	(0.50)	(0.37)
21-07-2016	Cash	Transferred to Pinal Ben Shah	(75,002)	Owned	10.00	(0.81)	(0.59)
25-07-2016	Cash	Private Placement (Conversion of Loan into equity shares)	350,000	-	75.00	3.78	2.75
28-07-2016	Other than cash	Bonus Allotment in the ratio of 25:10	4,199,625	-	-	45.40	33.04
29-07-2016	Cash	Acquired from Nipa Ben Gandhi	58,333	Owned	10.00	0.63	0.46
		Acquired from Payal Ben Gandhi	58,333	Owned	10.00	0.63	0.46
		Acquired from Divya Ben Gandhi	58,333	Owned	10.00	0.63	0.46
		Acquired from Devila Ben Gandhi	58,334	Owned	10.00	0.63	0.46
		Acquired from Mehul Kumar Gandhi	58,333	Owned	10.00	0.63	0.46
		Acquired from Yagneshbhai Gandhi	58,333	Owned	10.00	0.63	0.46
		Acquired from Nitin Bhai Gandhi	58,333	Owned	10.00	0.63	0.46
		Acquired from Hitendra Mehta	125,782	Owned	10.00	1.36	0.99
01-08-2016	Cash	Private Placement (Conversion of Loan into equity shares)	412,330	-	60.00	4.46	3.24
03-08-2016	Cash	Acquired from Raj Thaker	35	Owned	10.00	Negligible	Negligible
<b>Total (A)</b>			<b>6,825,954</b>			<b>73.79</b>	<b>53.71</b>
<b>Amitava Samanta</b>							
On Incorporation	Cash	Subscription to MOA	100	Owned	10.00	Negligible	Negligible
31-03-2012	Cash	Allotment	100,000	Owned	10.00	1.08	0.79
28-07-2016	Other than cash	Bonus Allotment in the ratio of 25:10	250,250	-	-	2.71	1.97
01-08-2016	Cash	Private Placement (Conversion of Loan into equity shares)	250,000	-	60.00	2.70	1.97
<b>Total (B)</b>			<b>600,350</b>			<b>6.49</b>	<b>4.72</b>
<b>TOTAL (A+B)</b>			<b>7,426,304</b>			<b>80.28</b>	<b>58.43</b>

#### 9. Details of Promoters' contribution locked in for three years:

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

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20% of the post-Issue Equity Share capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above.

Date of Allotment /Transfer/Aquisition	Consideration	Nature of Issue	No of Equity Shares	Sources of funds	Issue Price/Acquisition Price/ Transfer Prices	Percent age of Pre- Issue paid up capital	Percent age of Post issue paid up capital
				(Owned/ Borrowed)			
Vinodkumar M Thaker							
Incorporation	Cash	Subscription to MOA	9,900	Owned	10.00	0.11	0.08
31-03-2012	Cash	Further Allotment	500,000	Owned	10.00	5.41	3.93
31-03-2015	Cash	Rights Basis Allotment	1,390,000	Owned	10.00	15.03	10.94
25-07-2016	Cash	Private Placement (Conversion of Loan into equity shares)	350,000	Owned	75.00	3.78	2.75
Total (A)			2,249,900			24.32	17.70
Amitava Samanta							
Incorporation	Cash	Subscription to MOA	100	Owned	10	Negligible	Negligible
31-03-2012	Cash	Further Allotment	100,000	Owned	10	1.08	0.79
28-07-2016	Other than cash	Bonus Allotment	250,250	Owned	-	2.71	1.97
Total (B)			350,350			3.79	2.76
TOTAL (A+B)			2,600,250			28.11	20.46

We further confirm that the minimum Promoter 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.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' 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 Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of partnership firms into limited companies.

Specific written consent has been obtained from the Promoters for inclusion of the Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post -Issue paid-up Equity Share Capital from the date of allotment in the proposed public Issue. Promoters' Contribution does not consist of any private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution

constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

All Equity Shares, which are to be locked-in, are eligible for computation of Promoters' Contribution, in accordance with the SEBI (ICDR) Regulations, 2009. Accordingly we confirm that the Equity Shares proposed to be included as part of the Promoters' Contribution:

- have not been subject to pledge or any other form of encumbrance; or
- have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- is not resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution;
- have not been acquired by the Promoters during the period of one year immediately preceding the date of filing of this Prospectus at a price lower than the Issue Price.

The Promoters' 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 Promoters' 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 promoters 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 Code, as applicable.

#### 10. Details of Share Capital locked in for one year:

Except for the Promoter's Contribution which shall be locked in as above in accordance with regulation 36 of SEBI (ICDR) Regulations, 2009, the entire pre issue share capital of our Company (including the Equity Shares held by our Promoters) 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, 2009, 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 in the hands of transferees for the remaining period and compliance with the Takeover Code.

#### 11. Shareholding pattern of our Company:

Pursuant to Regulation 31 of the Listing Regulations, the holding of specified securities is divided into the following three categories:

- Promoter and Promoter Group;
- Public; and
- Non-Promoter - Non Public.

Category of shareholders	No. of shares held	No. of fully paid up equity shares held	No. of shares held	No. of shares held	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCR R,1957)	Number of Voting Rights held in each class of securities	No. of Shares Unlocked in Ours and in g	Shareholding, as % assuming full conversion of convertible	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
--------------------------	--------------------	---	--------------------	--------------------	------------------------	--	--	---	--	----------------------------	--	---

				- u p e q u i t y s h a r e s h e l d	g D e p o s i t o r y R e c e i p t s							co nv ert ibl e sec uri tie s (in clu di ng W ar ra nts )	sec ur it ies ( as a % of dilu ted sha re capi tal)					m*	
( I )	(II)	(I II )	(IV)	( V )	( V I)	(VII)	(VIII)	(IX)				(X )	(XI ) = (VI I)+(X)	(XII)			(XIII )		(XI V)
							As a % of (A+B +C2)	No of Voting Rights			Tot al as a % of (A+ B+ C)		As a % of (A+ B+ C2)	N o. ( a )	A s a % o f t o t al s h a r e s h e l d ( b )	N o. ( a )	A s a % o f t o t al s h a r e s h e l d ( b )		
								Equit y	Pre fere nce	Total									
( A )	Pro mote r & Pro mote r Gro up	6	778904 4	-	-	77890 44	84.20	77890 44	-	77890 44	84.2 0	-	84.2 0	-	-	-	-	-	-
( B )	Publ ic	16	146095 6	-	-	14609 56	15.79	14609 56	-	14609 56	15.7 9	-	15.7 9	-	-	-	-	-	-
( C )	Non Pro	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

)	mote r- Non Publ ic																	
( C 1 )	Shar es unde rlyin g DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
( C 2 )	Shar es held by Emp loye e Trus ts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>22</b>	<b>92,50,000</b>	<b>-</b>	<b>-</b>	<b>92,50,000</b>	<b>100.00</b>	<b>92,50,000</b>	<b>-</b>	<b>92,50,000</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**[B] Shareholding of our Promoters and Promoter Group**

S. N.	Name of the shareholder	Pre-Issue		Post-Issue		Shares pledged or otherwise encumbered		
		No. of Equity Shares	As a % of Issued Share Capital	No. of Equity Shares	As a % of Issued Share Capital	Number	As a percentage	As a % of grand Total (a)+(b)+(c) of Sub-clause (i)(a)
A	Promoters							
1	Vinodkumar M Thaker	68,25,954	73.79	68,25,954	53.71	-	-	-
2	Amitava Samanta	6,00,350	6.49	6,00,350	4.72	-	-	-
	Total (A)	74,26,304	80.28	74,26,304	58.43	-	-	-
B	Promoter Group, Relatives and other Associates							
3	Virendrakumar Thaker	2,68,972	2.91	2,68,972	2.12	-	-	-
4	Taraben M Thaker	42,917	0.46	42,917	0.34			
5	Manisha V Thaker	32,483	0.35	32,483	0.26			
6	Sangeeta V Thaker	18,368	0.20	18,368	0.14			
	Total (B)	3,62,740	3.92	3,62,740	2.85	-	-	-
	Total (A+B)	77,89,044	84.20	77,89,044	61.28	-	-	-

**[C] Shareholding of persons belonging to the category 'Public' and holding more than 1% of our Equity Shares**

S.N.	Particulars	No. of Shares	Percentage of pre-Issue capital(%)
1	Akshay Bhai Mehta	233,334	2.52
2	Meeta H Mehta	188,672	2.04
3	Rakeshbhai babulal patel	163,335	1.77
4	Pinal Ben	131,251	1.42
5	Rakshit Shah	131,251	1.42
6	Varsha Ben Mehta	116,666	1.26
	<b>Total</b>	<b>9,64,509</b>	<b>10.43</b>



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

Name of the Promoter	No. of Shares held	Average Cost of Acquisition (in Rs.)
Vinodkumar M Thaker	68,25,954	9.92
Amitava Samanta	6,00,350	26.65

13. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company, other than as follows:

Name of the Director	No. of Equity Shares	% age of Pre-Issue Capital
Vinodkumar M Thaker	68,25,954	73.79
Amitava Samanta	6,00,350	6.49
Manmindersingh Makhija	35	Negligible

14. The shareholding pattern of our Company before and after the Issue is set forth below:

Sr. No.	Particulars	Pre Issue		Post Issue	
		No. of Shares	% of Holding	No. of Shares	% of Holding
a).	Promoters	74,26,304	80.28	74,26,304	58.43
b).	Promoter Group	3,62,740	3.92	3,62,740	2.85
c).	Public	14,60,956	15.79	49,20,956	38.72
	<b>Total</b>	<b>92,50,000</b>	<b>100.00</b>	<b>1,27,10,000</b>	<b>100.00</b>

15. Equity Shares held by top ten shareholders:

(a) 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	Vinodkumar M Thaker	68,25,954	73.79
2	Amitava Samanta	6,00,350	6.49
3	Virendrakumar Thaker	2,68,972	2.91
4	Akshay Bhai Mehta	2,33,334	2.52
5	Meeta H Mehta	1,88,672	2.04
6	Rakeshbhai Babulal Patel	1,63,335	1.77
7*	Pinal Ben	1,31,251	1.42
7*	Rakshit Shah	1,31,251	1.42
8	Varsha Ben Mehta	1,16,666	1.26
9	Bharat D Parikh	88,047	0.95
10**	Nipa Ben Gandhi	58,333	0.63
10**	Payal Ben Gandhi	58,333	0.63
10**	Divya Ben Gandhi	58,333	0.63
10**	Mehul Kumar Gandhi	58,333	0.63
10**	Yagneshbhai Gandhi	58,333	0.63
10**	Nitin Bhai Gandhi	58,333	0.63
	<b>Total</b>	<b>90,97,830</b>	<b>98.35</b>

\*On Sr. 7, there are 2 shareholders holding 1,31,251 Shares each.

\*\*On Sr. 10, there are 6 shareholders holding 58,333 Shares each.

(b) 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	Vinodkumar M Thaker	68,25,954	73.79
2	Amitava Samanta	6,00,350	6.49
3	Virendrakumar Thaker	2,68,972	2.91

Sr. No.	Name of shareholder	No. of Shares	% age of Pre-Issue Capital
4	Akshay Bhai Mehta	2,33,334	2.52
5	Meeta H Mehta	1,88,672	2.04
6	Rakeshbhai Babulal Patel	1,63,335	1.77
7*	Pinal Ben	1,31,251	1.42
7*	Rakshit Shah	1,31,251	1.42
8	Varsha Ben Mehta	1,16,666	1.26
9	Bharat D Parikh	88,047	0.95
10**	Nipa Ben Gandhi	58,333	0.63
10**	Payal Ben Gandhi	58,333	0.63
10**	Divya Ben Gandhi	58,333	0.63
10**	Mehul Kumar Gandhi	58,333	0.63
10**	Yagneshbhai Gandhi	58,333	0.63
10**	Nitin Bhai Gandhi	58,333	0.63
<b>Total</b>		<b>90,97,830</b>	<b>98.35</b>

\*On Sr. 7, there are 2 shareholders holding 1,31,251 Shares each.

\*\*On Sr. 10, there are 6 shareholders holding 58,333 Shares each.

(c) 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	% of Paid up Capital (Two years prior to the date of this Prospectus, represented by 6,10,000 Equity Shares)
1	Vinodkumar M Thaker	5,09,900	83.59
2	Amitava Samanta	1,00,100	16.41
	<b>Total</b>	<b>6,10,000</b>	<b>100.00</b>

16. Except as provided below, there has been no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of this Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company.

S. No.	Name of Shareholder	Promoter/Promoter Group/Director	Number Equity Shares	Subscribed / Acquired / Transferred
1.	Vinodkumar M. Thaker	Promoter	5,34,149	Acquired
			(5,70,050)	Transferred
			13,90,000	Subscribed (Right Basis Issue)
			3,50,000	Subscribed (Conversion of unsecured loan into Equity Shares)
			4,12,330	Subscribed (Conversion of unsecured loan into Equity Shares)
			41,99,625	Subscribed(Bonus)
2.	Amitava Samanta	Promoter	2,50,000	Subscribed (Conversion of unsecured loan into Equity Shares)
			2,50,250	Subscribed (Bonus)
3.	Virendrakumar Thaker	Promoter Group	2,68,937	Subscribed (Conversion of unsecured loan into Equity Shares)
			25	Subscribed(Bonus)
			10	Acquired

17. Except as provided below, there are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group / Directors of the Company which is our Promoter and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of this Prospectus :-

S. No .	Name of Shareholder	Promoter/ Promoter Group/Director	Number of Equity Shares	Subscribed/ Acquired/ Transferred	Acquisition Price/ transfer price per share (Rs.)	Date of Acquisition / transfer of shares
1	Vinodkumar M Thaker	Promoter	33333	Acquired from Nitin Bhai Gandhi	15/-	20-05-16
2	Vinodkumar M Thaker	Promoter	33333	Acquired from Yagneshbhai Gandhi	15/-	20-05-16
3	Vinodkumar M Thaker	Promoter	33333	Acquired from Varsha Ben Mehta	15/-	20-05-16
4	Vinodkumar M Thaker	Promoter	33333	Acquired from Devila Ben Gandhi	15/-	20-05-16
5	Vinodkumar M Thaker	Promoter	33333	Acquired from Mehul Kumar Gandhi	15/-	20-05-16
6	Vinodkumar M Thaker	Promoter	115000	Acquired from Pinal Ben	10/-	20-05-16
7	Vinodkumar M Thaker	Promoter	66667	Acquired from Akshay Bhai Mehta	15/-	20-05-16
8	Vinodkumar M Thaker	Promoter	46667	Acquired from Rakeshbhai B Patel	15/-	20-05-16
9	Vinodkumar M Thaker	Promoter	33333	Acquired from Payal Ben Gandhi	15/-	20-05-16
10	Vinodkumar M Thaker	Promoter	33333	Acquired from Divya Ben Gandhi	15/-	20-05-16
11	Vinodkumar M Thaker	Promoter	33333	Acquired from Nipa Ben Gandhi	15/-	20-05-16
12	Vinodkumar M Thaker	Promoter	75,002	Transferred by Vinodkumar M Thaker	10/-	22-07-16
13	Vinodkumar M Thaker	Promoter	41,99,625	Bonus Issue	Nil	28-07-16
14	Amitava Samanta	Promoter	2,50,250	Bonus Issue	Nil	28-07-16
15	Raj V Thaker	Promoter Group	25	Bonus Issue	Nil	28-07-16
16	Sangeeta V Thaker	Promoter Group	25	Bonus Issue	Nil	28-07-16
17	Virendrakumar M Thaker	Promoter Group	25	Bonus Issue	Nil	28-07-16
18	Vinodkumar M Thaker	Promoter	58334	Acquired from Devila Ben Gandhi	10/-	29-07-16
19	Vinodkumar M Thaker	Promoter	58333	Acquired from Payal Ben Gandhi	10/-	29-07-16
20	Vinodkumar M Thaker	Promoter	58333	Acquired from Divya Ben Gandhi	10/-	29-07-16
21	Vinodkumar M Thaker	Promoter	125782	Acquired from Hiten R Mehta	10/-	29-07-16
22	Vinodkumar M Thaker	Promoter	58333	Acquired from Nitin Bhai Gandhi	10/-	29-07-16
23	Vinodkumar M Thaker	Promoter	58333	Acquired from Mehul Kumar Gandhi	10/-	29-07-16

24	Vinodkumar M Thaker	Promoter	58333	Acquired from Yagneshbhai Gandhi	10/-	29-07-16
25	Vinodkumar M Thaker	Promoter	58333	Acquired from Nipa Ben Gandhi	10/-	29-07-16
26	Raj V Thaker	Promoter Group	35	Transferred by Vinodkumar M Thaker	10/-	03-08-16
27	Vinodkumar M Thaker	Promoter	35	Acquired from Raj Thaker	10/-	03-08-16

18. No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the Equity Shares other than in the normal course of business of the financing entity during a period of six months preceding the date of this Prospectus.
19. Our Company has not raised any bridge loans against the proceeds of this Issue.
20. 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.
21. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in paragraph on "*Basis of Allotment*" on page 179 of this Prospectus.
22. There are no partly paid-up Equity Shares as on the date of this Prospectus and the Equity Shares to be allotted pursuant to this Issue shall be fully paid-up.
23. 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, which is the minimum application size in the Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
24. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
25. As on date of filing of this Prospectus, the entire issued share capital of our Company is fully paid-up.
26. On the date of filing this Prospectus, 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.
27. Our Company has not issued any Equity Shares out of revaluation reserves and neither have any bonus shares been issued out of capitalization of revaluation reserves or no shares have been issued for consideration other than cash except issue of bonus shares dated 28.07.2016, for further details please refer section "Capital Structure" on page 40 of this prospectus.
28. Lead Manager viz. Guinness Corporate Advisors Private Limited, or its associates does not hold any Equity Shares of our Company as on the date of this Prospectus except one of the director of Guinness Corporate Advisors Private Limited Mr. Rakshit Shah.
29. Our Company has not made any public issue since incorporation.
30. Our Company has not revalued its assets since incorporation.
31. 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 split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of

securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

32. At any given point of time, there shall be only one denomination for a class of Equity Shares of our Company.
33. 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.
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. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
36. Our Company has 22 (Twenty Two) members as on the date of filing of this Prospectus.
37. Neither the Promoters, nor members of the Promoter Group, nor Directors or their relatives have financed the purchase of Equity Shares by any other person, other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of this Prospectus.
38. No Equity Shares have been allotted in terms of any scheme approved under Sections 230-232 of the Companies Act, 2013 and no Equity Shares have been allotted in terms of any scheme approved under Sections 391-394 of the Companies Act, 1956 in the last five years

## OBJECTS OF THE ISSUE

Our Company proposes to utilise the funds which are being raised towards funding the objects as set forth below and achieve the benefits of listing on SME Platform of BSE.

### Objects of the Issue

The objects of the Issue are set forth below:

1. To meet the working capital requirements;
2. General Corporate Purposes;
3. Issue Expenses.

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

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

### Proceeds of the Issue

The details of the objects of the issue are set forth in the table below: -

(Rs. in Lacs)		
No.	Particulars	Amount
I	To Meet Working Capital Requirements	950.00
II	General Corporate Purpose	47.00
III	Issue Expenses	41.00
	<b>TOTAL</b>	<b>1,038.00</b>

*\*As on date of this Prospectus, Company has incurred Rs. 3.00 Lakhs towards Issue Expenses.*

### Means of Finance

(Rs. in Lacs)	
Particulars	Amount
Initial Public Offering	1038.00
Internal Accruals	-
<b>TOTAL</b>	<b>1038.00</b>

*Since the entire fund requirements are to be financed from the Issue Proceeds, there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.*

In the event of a shortfall in raising the requisite capital from the proceeds of the Issue, towards meeting the Objects of the Issue, the extent of the shortfall will be met by internal accruals and/or from fresh debt.

The above fund requirements 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 revisions in light of changes in external circumstances or costs, or other financial condition, business or strategy, as discussed further below.

In case of variations in the actual utilisation of funds earmarked 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. In addition, the fund requirements mentioned above are based on the current internal management estimates of the Company and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or other financial condition, business or strategy. The Company operates in a highly competitive and dynamic market, and may have to revise its estimates from time to time on account of new projects that it may pursue including any industry consolidation initiatives, such as potential acquisition opportunities.

Consequently, the fund requirements may also change. Any such change in the plans may require rescheduling of the expenditure programs, discontinuing projects currently planned and an increase or decrease in the expenditure



for a particular project or land acquisition or land development rights in relation to current plans, at the discretion of the management of the Company.

## I. To Meet Working Capital Requirements

Our business is working capital intensive and the Company avails majority of its working capital requirement in the ordinary course of its business from its internal accruals, bank funding and other sources.

As on March 31, 2016, our Company's net working capital consisted of Rs.1080.04 Lakhs based on restated financial statement. Considering the existing and future growth, the total working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach Rs. 1834.57 lacs for FY 2016-2017. The Company will meet the requirement to the extent of Rs. 950.00 Lacs from the Proceeds of the Issue and balance from borrowings and/or internal accruals at an appropriate time as per the requirement.

### Basis of Estimation of Working Capital Requirement:-

The details of our Company's working capital requirement are based on the restated financial statements as at March 31, 2015, March 31, 2016 and Company's expected working capital requirement as at March 2016-17 are set forth in the table below:

Particulars	As on March 31 2015	As on March 31 2016	As on March 31 2017 (Estimated)
<b>Current Assets</b>			
Inventories	7,179.15	8,297.11	10,371.39
Cash & Bank Balance	223.91	98.85	123.56
Short-term Loan and Advances	3,763.95	595.65	744.56
Trade Receivables	1,278.22	1,778.90	2,223.63
Other Current Asset	-	-	-
<b>TOTAL CURRENT ASSETS (A)</b>	<b>12,445.23</b>	<b>10,770.51</b>	<b>13,463.14</b>
<b>Current Liabilities</b>			
Other Current Liabilities	549.01	8,966.76	10,760.11
Trade Payables	707.79	676.20	811.44
Short-term Provisions		47.51	57.01
<b>TOTAL CURRENT LIABILITIES (B)</b>	<b>1,256.80</b>	<b>9,690.47</b>	<b>11,628.56</b>
<b>Net Working Capital(A-B)</b>	<b>11,188.43</b>	<b>1,080.04</b>	<b>1,834.57</b>
<b>Sources Working Capital</b>			
Issue Proceeds	-	-	950.00
<b>Internal Accruals</b>	<b>11,188.43</b>	<b>1080.04</b>	<b>884.57</b>

### Assumption for working capital requirements

Assumptions for Holding Levels

(in Days)

Particulars	Holding Level as of March 31, 2015	Holding Level as of March 31, 2016	Holding Level as of March 31, 2017 (Estimated)
<b>Current Assets</b>			
<b>Inventories</b>			
Raw material	16,423	1,248	718
Finished Goods	-	-	166
Trade Receivables	8,151	165	183
<b>Current Liabilities</b>			
Trade Payables	1,619	102	67

Our Company proposes to utilise Rs 950.00 lacs from the Issue proceeds towards working capital requirements of our Company.

## II. General Corporate Purpose

We intend to use approximately Rs. 47.00 lacs towards the General Corporate Purposes as decided by our Board from time to time, including but not restricted to acquiring business premises, investment in business venture, strategic alignment, strategic initiatives, brand building exercises, strengthening our marketing capabilities in order to strengthen our operations.

Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## III. Issue Expenses

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Brokerage, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee, and Listing Fee etc. The total expenses for this Issue are estimated to be approximately Rs. 41.00 Lakhs which is 3.95% of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

(Rs. in Lacs)			
Activity	Expenses (Rs. in lakhs)	Percentage of Issue Expenses	Percentage of the Issue Size
Issue Management fees including fees and reimbursements of underwriting fees, brokerages, and payment to other intermediaries such as legal advisor, peer review auditor, registrars and other out of pocket expenses etc. *	35.00	85.37%	3.37%
Other Expenses inclusive of Printing, Stationery, postage expenses, Advertising expenses etc.	3.50	8.54%	0.34%
Regulatory fees and expenses	2.50	6.10%	0.24%
<b>Total estimated issue expenses</b>	<b>41.00</b>	<b>100.00%</b>	<b>3.95%</b>

\*As on date of this Prospectus, Company has incurred Rs. 3.00 Lakhs towards Issue Expenses.

## Schedule of Implementation & Deployment of Funds:

As estimated by our management, the overall cost of the proposed object of the Issue and the proposed year wise break up of deployment of funds are as under:

(Rs. in Lacs)					
Particulars	Estimated Cost	Already Incurred	FY 2016-17	FY 2017-18	Total from IPO Proceeds
Working Capital	950.00	-	750.00	200.00	950.00
General Corporate Purpose	47.00	-	25.00	22.00	47.00
Issue Expenses	41.00	3.00	38.00	-	41.00
<b>Total</b>	<b>1038.00</b>	<b>3.00</b>	<b>813.00</b>	<b>222.00</b>	<b>1038.00</b>

## Details of funds already deployed till date and sources of funds deployed

The funds deployed up to August 27, 2016 pursuant to the object of this Issue as certified by the Auditor of our Company, viz. M/s Dhaval Padiya and Co., Chartered Accountants pursuant to their certificate dated September 1, 2016 is given below:

(Rs. in Lacs)	
Deployment of Funds	Amount
Issue Expenses	3.00
<b>Total</b>	<b>3.00</b>

(Rs. in Lacs)	
Sources of Funds	Amount
Internal Accruals	3.00
<b>Total</b>	<b>3.00</b>

*Note: The amount deployed so far toward objects of the Issue shall be recouped out of the issue proceeds.*

**Appraisal by Appraising Agency**

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

**Bridge Financing**

We have currently not raised any bridge loans against the Proceeds of the Issue. However, depending on our requirement, we might consider raising bridge financing facilities, pending receipt of the Proceeds of the Issue.

**Shortfall of Funds**

Any shortfall in meeting the object of the Issue will be met by way of internal accruals.

**Interim use of Funds**

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Issue proceeds. The Issue proceeds of the Issue pending utilization for the purposes stated in this section shall be deposited only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the proceeds of the Issue for any investment in the equity markets.

**Monitoring of Utilization of Funds**

There is no requirement for a monitoring agency as the Issue size is less than Rs.50,000 lakhs. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a fiscal year, we will utilize such unutilized amount in the next fiscal year.

Further, in accordance with Regulation 32(1)(a) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Prospectus.

**Variation in Objects**

In accordance with Section 27 of the Companies Act 2013, our Company shall not vary object of the Issue without our Company being authorized to do so by our shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules thereunder. As per the current provisions of the Companies Act, our Promoters or controlling shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner as may be prescribed by SEBI in this regard.

**Other Confirmations**

There is no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Entities, in relation to the utilisation of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoter, our Directors or key managerial personnel or our Group Entities, except in the normal course of business and in compliance with the applicable laws.

## **BASIC TERMS OF ISSUE**

The Equity Shares, now being offered, are subject to the terms and conditions of this Prospectus, Application form, Confirmation of Allocation Note (“CAN”), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, Stock Exchanges, RBI, ROC and/or other authorities as in force on the date of the Issue and to the extent applicable.

### **Authority for the Issue:**

The present issue has been authorized pursuant to a resolution of our Board dated June 20, 2016 and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of our shareholders held on July 15, 2016.

### **Ranking of Equity Shares**

The Equity Shares being issued under the Issue shall be subject to the provisions of our Memorandum and Articles and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends or any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please refer to the chapter —*Main Provisions of the Articles of Association*” beginning on page 209 of this Prospectus.

<b>Face Value</b>	Each Equity Share shall have the face value of Rs. 10.00 each.
<b>Issue Price</b>	Each Equity Share is being offered at a price of Rs. 30.00 each.
<b>Market Lot and Trading Lot</b>	The Market lot and Trading lot for the Equity Share is 4,000 (Four Thousand) and the multiple of 4,000; subject to a minimum allotment of 4,000 Equity Shares to the successful applicants.
<b>Terms of Payment</b>	100% of the issue price of Rs. 30.00 shall be payable on Application. For more details please refer to page 180 of this Prospectus.
<b>Ranking of the Equity Shares</b>	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

## **BASIS FOR ISSUE PRICE**

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is Rs.10/- and Issue Price is Rs. 30/- per Equity Shares i.e. 3.00 times the face value.

Investors should read the following summary with the **“Risk Factors”** beginning from page 11 of this Prospectus, section titled **“Our Business”** beginning from page 71 and **“Financial Information”** beginning from page 116 of this Prospectus. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### **Qualitative Factors**

Some of the qualitative factors which may form the basis for computing the Issue Price include the following:

- Experienced and professional management team
- Ensuring quality, safety and productivity
- Projects in hand
- Development of projects through joint development Model

For further details, refer **“Our Strength”** under chapter titled **“Our Business”** beginning from page 71 of this Prospectus.

### **Quantitative Factors**

Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as set forth below:

#### **1. Basic Earnings and Diluted Earnings Per Equity Share (EPS) as per Accounting Standard 20**

<b>Period</b>	<b>Basic and Diluted EPS (in Rs.)</b>	<b>Weight</b>
March 31, 2014	2.53	1
March 31, 2015	(1.27)	2
March 31, 2016	11.38	3
<b>Weighted Average</b>	<b>5.69</b>	

#### **Notes:**

*The earnings per share has been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period/year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.*

#### **2. Price / Earnings Ratio (P/E) in relation to the Issue Price of Rs. 30/-**

<b>Particulars</b>	<b>PE</b>
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2015-16	2.64
P/E ratio based on the Weighted Average EPS, as restated	5.27
<b>Industry P/E</b>	<b>PE Ratio</b>
Highest –Godrej Properties	214.50
Lowest – Gammon India	2.20
Average	108.35

*(Source: Capital Market, Vol. XXXI/14, August 29 –September 11, 2016)*

#### **3. Return on Net Worth**

<b>Period</b>	<b>RONW (%)</b>	<b>Weight</b>
March 31, 2014	7.51	1
March 31, 2015	(2.32)	2
March 31, 2016	40.32	3
<b>Weighted Average</b>	<b>20.64</b>	

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

4. **Minimum return on post Issue Net Worth to maintain the Pre-issue EPS for the year ended March 31, 2016:**  
**- 58.33%**

5. **Net Asset Value (NAV) per Equity Share:**

S.N.	Particulars	(Rs.)
a)	As on March 31, 2016	28.22
b)	After Issue	19.51
c)	Issue Price	30.00

*Note: NAV has been calculated as networth divided by number of Equity Shares at the end of the year.*

6. **Peer Group Comparison of Accounting Ratios:**

Particulars	EPS (Rs.)	PE Ratio	RONW (%)	NAV(Rs)	Face Value
India Green Realty Limited <sup>(i)</sup>	11.38	2.63	40.32	28.22	10.00
<b>Peer Group <sup>(ii)</sup></b>					
Samruddhi Realty Limited	2.19	10.59	14.02	14.37	10.00
AGI Infra Limited	3.78	21.16	9.96	27.87	10.00

*(i) The figures of India Green Realty Limited are based on restated financial statements.*

*(ii) Source: bseindia.com and Annual Reports for the year ended March 31, 2015 of respective Companies and for calculating PE ratio market price as on 08.09.2016 is considered.*

*Note: The peer group identified is broadly based on the service lines that we are into, but their scale of operations is not comparable to us.*

7. The face value of our share is Rs.10/- per share and the Issue Price is of Rs.30.00 per share is 3.00 times of the face value.
8. The Company in consultation with the Lead Manager believes that the Issue Price of Rs.30 per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors on page 11 and financials on page. 116 including important profitability and return ratios, as set out in the Auditors' Report in this Prospectus to have more informed view about the investment proposition.

## **STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS**

To,  
**The Board of Directors**  
**India Green Reality Limited**  
12, Satyam Mall, Near Kameshwar School,  
Jodhpur Char Rasta, Satellite,  
Ahmedabad - 380015, Gujarat, India

Dear Sirs,

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

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

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

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

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

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

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

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

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

**For ADV & Associates**  
**Chartered Accountants**  
**Firm Registration No. 128045W**

**Sd/-**  
**(CA Ankit Rathi)**  
**Partner**  
**Membership No. 162441**  
**Mumbai, August 30, 2016**



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

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17.

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

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

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

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

## SECTION IV - ABOUT OUR COMPANY

### OUR INDUSTRY

*(The information in this chapter has been extracted from publicly available documents prepared by various sources etc. This data has not been prepared or independently verified by us or the Lead Manager or any of their or our respective affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “Risk Factors” on page 11 of this Prospectus. Accordingly, investment decisions should not be based on such information)*

### GLOBAL ECONOMIC OVERVIEW

Output growth in the first quarter of 2016 was somewhat better than expected in emerging market and developing economies and roughly in line with projections for advanced economies, with better-than-expected euro area growth counterbalancing weaker U.S. growth. Productivity growth in most advanced economies remained sluggish, and inflation was below target owing to slack and the effect of past declines in commodity prices. Indicators of real activity were somewhat stronger than expected in China, reflecting policy stimulus, as well as in Brazil and Russia, with some tentative signs of moderation in Brazil’s deep downturn and stabilization in Russia following the rebound in oil prices. While global industrial activity and trade have been lackluster amid China’s rebalancing and generally weak investment in commodity exporters, recent months have seen some pick-up due to stronger infrastructure investment in China and higher oil prices.

The result of the U.K. referendum caught financial markets by surprise. In its immediate aftermath, equity prices declined worldwide. These prices have since rebounded, although as of mid-July bank equity valuations for U.K. and European banks remain substantially lower than before the referendum, and domestically focused U.K. equities are slightly weaker. Yields on safe assets have declined further, reflecting both higher global risk aversion and expectations of easier monetary policy going forward, particularly in the main advanced economies. The pound depreciated sharply—by around 10 percent in nominal effective terms between June 23 and July 15—with more limited changes for other major currencies. The prices of oil and other commodities declined moderately, but have remained well above those underpinning the assumptions for the April 2016 WEO.<sup>1</sup> Post-referendum asset price and exchange rate movements in emerging markets have been generally contained.

From a macroeconomic perspective, the Brexit vote implies a substantial increase in economic, political, and institutional uncertainty, which is projected to have negative macroeconomic consequences, especially in advanced European economies. But with the event still unfolding, it is very difficult to quantify its potential repercussions.

Taking into account the better-than-expected economic activity so far in 2016 and the likely impact of Brexit under the assumptions just described, the global growth forecasts for 2016 and 2017 were both marked down by 0.1 percentage points relative to the April 2016 WEO, to 3.1 percent and 3.4 percent, respectively. The outlook worsens for advanced economies (down by 0.1 percentage points in 2016 and 0.2 percentage points in 2017) while it remains broadly unchanged for emerging market and developing economies.

Table 1. Overview of the <b>World Economic Outlook</b> Projections									
(Percent change unless noted otherwise)									
	YEAR OVER YEAR								
					Difference from April 2016 WEO Projections <sup>1/</sup>		Q4 OVER Q4		
		Estimates	Projections				Estimates	Projections	
	2014	2015	2016	2017	2016	2017	2015	2016	2017
<b>World Output <sup>2/</sup></b>	<b>3.4</b>	<b>3.1</b>	<b>3.1</b>	<b>3.4</b>	<b>-0.1</b>	<b>-0.1</b>	<b>3.0</b>	<b>3.2</b>	<b>3.5</b>
<b>Advanced Economies</b>	<b>1.9</b>	<b>1.9</b>	<b>1.8</b>	<b>1.8</b>	<b>-0.1</b>	<b>-0.2</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>
United States	2.4	2.4	2.2	2.5	-0.2	0.0	2.0	2.5	2.3
Euro Area	0.9	1.7	1.6	1.4	0.1	-0.2	1.7	1.4	1.5
Germany	1.6	1.5	1.6	1.2	0.1	-0.4	1.3	1.5	1.3
France	0.6	1.3	1.5	1.2	0.4	-0.1	1.4	1.3	1.4
Italy	-0.3	0.8	0.9	1.0	-0.1	-0.1	1.1	1.0	1.0
Spain	1.4	3.2	2.6	2.1	0.0	-0.2	3.5	1.8	2.5

Japan	0.0	0.5	0.3	0.1	-0.2	0.2	0.8	0.6	0.2
United Kingdom	3.1	2.2	1.7	1.3	-0.2	-0.9	1.8	1.2	1.5
Canada	2.5	1.1	1.4	2.1	-0.1	0.2	0.3	1.8	2.2
Other Advanced Economies <a href="#">3/</a>	2.8	2.0	2.0	2.3	-0.1	-0.1	2.2	2.0	2.6
<b>Emerging Market and Developing Economies</b>	<b>4.6</b>	<b>4.0</b>	<b>4.1</b>	<b>4.6</b>	<b>0.0</b>	<b>0.0</b>	<b>4.1</b>	<b>4.4</b>	<b>4.9</b>
Commonwealth of Independent States	1.0	-2.8	-0.6	1.5	0.5	0.2	-3.4	-0.3	1.8
Russia	0.7	-3.7	-1.2	1.0	0.6	0.2	-4.0	-0.3	1.8
Excluding Russia	1.9	-0.6	1.0	2.5	0.1	0.2	...	...	...
Emerging and Developing Asia	6.8	6.6	6.4	6.3	0.0	0.0	6.8	6.3	6.3
China	7.3	6.9	6.6	6.2	0.1	0.0	6.8	6.5	6.1
India <a href="#">4/</a>	7.2	7.6	7.4	7.4	-0.1	-0.1	8.1	7.4	7.4
ASEAN-5 <a href="#">5/</a>	4.6	4.8	4.8	5.1	0.0	0.0	4.8	4.5	5.3
Emerging and Developing Europe	2.8	3.6	3.5	3.2	0.0	-0.1	4.1	3.3	3.0
Latin America and the Caribbean	1.3	0.0	-0.4	1.6	0.1	0.1	-1.4	0.0	2.1
Brazil	0.1	-3.8	-3.3	0.5	0.5	0.5	-5.9	-1.2	1.1
Mexico	2.2	2.5	2.5	2.6	0.1	0.0	2.4	2.4	2.8
Middle East, North Africa, Afghanistan, and Pakistan	2.7	2.3	3.4	3.3	0.3	-0.2	...	...	...
Saudi Arabia	3.6	3.5	1.2	2.0	0.0	0.1	1.8	1.0	2.4
Sub-Saharan Africa	5.1	3.3	1.6	3.3	-1.4	-0.7	...	...	...
Nigeria	6.3	2.7	-1.8	1.1	-4.1	-2.4	...	...	...
South Africa	1.6	1.3	0.1	1.0	-0.5	-0.2	0.2	0.4	1.1
<i>Memorandum</i>									
Low-Income Developing Countries	6.0	4.5	3.8	5.1	-0.9	-0.4	...	...	...
World Growth Based on Market Exchange Rates	2.7	2.5	2.5	2.8	0.0	-0.1	2.3	2.6	2.8
<b>World Trade Volume (goods and services) <a href="#">6/</a></b>	<b>3.7</b>	<b>2.6</b>	<b>2.7</b>	<b>3.9</b>	<b>-0.4</b>	<b>0.1</b>	<b>...</b>	<b>...</b>	<b>...</b>
Advanced Economies	3.6	3.8	2.6	3.9	-0.4	0.1	...	...	...
Emerging Market and Developing Economies	3.9	0.6	2.9	3.9	-0.5	0.1	...	...	...
<b>Commodity Prices (U.S. dollars)</b>									
Oil <a href="#">7/</a>	-7.5	-47.2	-15.5	16.4	16.1	-1.5	-43.4	13.7	5.2
Nonfuel (average based on world commodity export weights)	-4.0	-17.5	-3.8	-0.6	5.6	0.1	-19.1	5.0	-2.7
<b>Consumer Prices</b>									
Advanced Economies	1.4	0.3	0.7	1.6	0.0	0.1	0.4	1.0	1.7
Emerging Market and Developing Economies <a href="#">8/</a>	4.7	4.7	4.6	4.4	0.1	0.2	4.6	4.3	4.0
<b>London Interbank Offered Rate (percent)</b>									
On U.S. Dollar Deposits (six month)	0.3	0.5	0.9	1.2	0.0	-0.3	...	...	...
On Euro Deposits (three month)	0.2	0.0	-0.3	-0.4	0.0	0.0	...	...	...
On Japanese Yen Deposits (six month)	0.2	0.1	0.0	-0.2	0.1	0.1	...	...	..

### Emerging Markets and Developing Economies

Growth in emerging market and developing economies is projected to slow from 4.6 percent in 2014 to 4.2 percent in 2015, broadly as expected. The slowdown reflects the dampening impact of lower commodity prices and tighter external financial conditions—particularly in Latin America and oil exporters, the rebalancing in China, and structural bottlenecks, as well as economic distress related to geopolitical factors—particularly in the

Commonwealth of Independent States and some countries in the Middle East and North Africa. In 2016, growth in emerging market and developing economies is expected to pick up to 4.7 percent, largely on account of the projected improvement in economic conditions in a number of distressed economies, including Russia and some economies in the Middle East and North Africa. As noted in earlier WEO reports, in many other emerging market and developing economies, much of the growth slowdown in recent years has amounted to a moderation from above trend growth.

### **Risks to the Outlook**

As noted earlier, with Brexit still very much unfolding, the extent of economic and political uncertainty has risen, and the likelihood of outcomes more negative than the one in the baseline has increased. Box 1 sketches the potential ramifications on the global outlook of two alternative scenarios, which envisage a more acute tightening of global financial conditions and larger confidence effects as a result of Brexit than those assumed in the WEO baseline.

## **INDIAN ECONOMIC OVERVIEW**

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 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.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 77.75 per cent during FY 201617, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years. Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15month period before the launch.

### **Recent Developments**

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity. Some of them are as follows:

India has emerged as one of the strongest performers with respect to deals across the world in terms of Mergers and Acquisitions (M&A). The total transaction value of M&A involving Indian companies stood at US\$ 26.3 billion with 930 deals in 2015 as against US\$ 29.4 billion involving 870 deals in 2014. In the M&A space, Telecom was the dominant sector, amounting to 40 per cent of the total transaction value. Also, Private equity (PE) investments increased 86 per cent yoy to US\$ 1.43 billion. Total private equity (PE) investments in India for 2015 reached a record high of US\$ 19.5 billion through 159 deals, according to the PwC Money Tree India report.

### **Government Initiatives**

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, 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. 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 give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP.

**Following the government's initiatives several plans for investment have been undertaken which are as follows:**

- The Union Cabinet has approved the introduction of several short term (within one year) and medium term measures (within two years) to be implemented by government ministries, departments and organisations for promotion of payments through cards and digital means, and to reduce cash transactions.
- Prime Minister Mr Narendra Modi announced at the International Monetary Fund (IMF) conference on 'Advancing Asia: Investing for the Future' in New Delhi that the government will continue to bring in new reforms for transforming economy without resorting to undervaluing its exchange rate to boost trade.
- Government of India plans to create a National Investment Grid to map business opportunities across the country which will make it easier for investors, especially domestic investors, to access and explore investment opportunities.
- Prime Minister, Mr. Narendra Modi, launched the Startup India initiative and unveiled the Startup Action Plan which includes creation of a dedicated Startup fund worth Rs 10,000 crore (US\$ 1.47 billion) apart from other incentives like no tax on profits for first three years and relaxed labour laws.
- British telecom giant Vodafone, India's second largest telecom operator, plans to invest over Rs 13,000 crore (US\$ 1.91 billion) in India, to upgrade and expand its network and also for its payments bank operations.
- Foxconn Technology group, Taiwan's electronics manufacturer, is planning to manufacture Apple iPhones in India. Besides, Foxconn aims to establish 1012 facilities in India including data centers and factories by 2020.
- US based First Solar Inc and China's Trina Solar have plans to set up manufacturing facilities in India. Clean energy investments in India increased to US\$ 7.9 billion in 2014, helping the country maintain its position as the seventh largest clean energy investor in the world.
- Hyderabad is set to become the mobile phone manufacturing hub in India and is expected to create 150,000 – 200,000 jobs. Besides, the Telangana Government aims to double IT exports to Rs 1.2 trillion (US\$ 17.61 billion) by 2019.
- General Motors plans to invest US\$1 billion in India by 2020, mainly to increase the capacity at the Talegaon plant in Maharashtra from 130,000 units a year to 220,000 by 2025.
- Hyundai Heavy Industries (HHI) and Hindustan Shipyard Ltd have joined hands to build warships in India. Besides, Samsung Heavy Industries and Kochi Shipyard will be making Liquefied Natural Gas (LNG) tankers.

### **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 midyear update of United Nations World Economic Situation and Prospects, India is expected to grow at 7.6 per cent in 2015 and at 7.7 per cent in 2016.

Furthermore, initiatives like Make in India and Digital India will play a vital role in driving the Indian economy.

Exchange Rate Used: INR 1 = US\$ 0.0147 as on March 01, 2016

### **INDIAN REAL ESTATE SECTOR**

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate developers, but foreign investors as well. The growth of the industry is attributed mainly to a large population base, rising income level, and rapid urbanisation. The sector comprises of four sub-sectors- housing, retail, hospitality, and commercial. While housing contributes to five-six percent of the country's gross domestic product (GDP), the remaining three sub-sectors are also growing at a rapid pace, meeting the increasing infrastructural needs.

The real estate sector has transformed from being unorganised to a dynamic and organized sector over the past decade. Government policies have been instrumental in providing support after recognising the need for infrastructure development in order to ensure better standard of living for its citizens. In addition to this, adequate infrastructure forms a prerequisite for sustaining the long-term growth momentum of the economy. The real estate

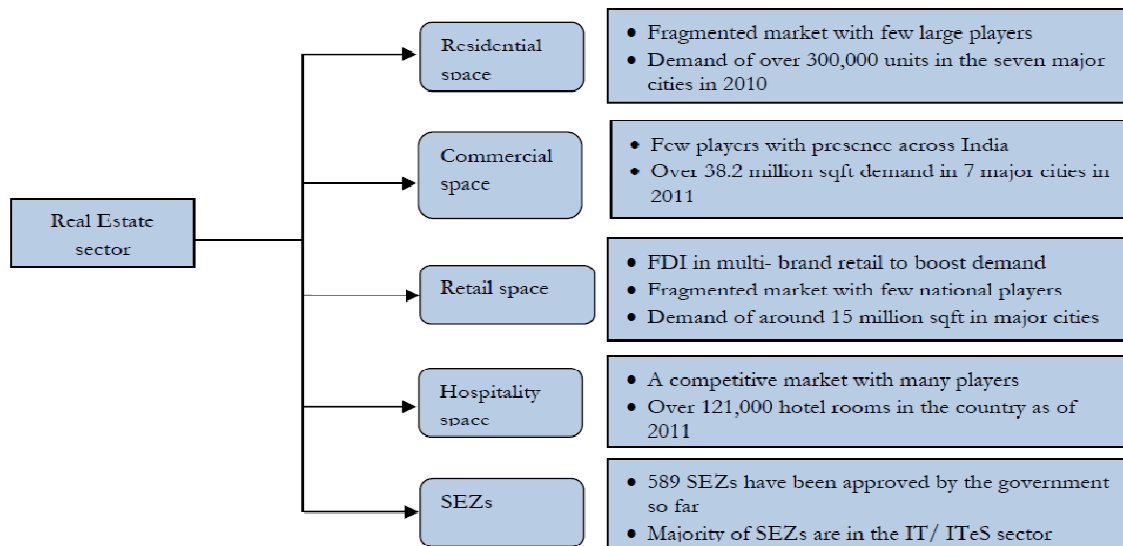
sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade.

The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

## SEGMENTS IN THE INDIAN REAL ESTATE SECTOR



## Market Size

The construction development sector in India has received foreign direct investment (FDI) equity inflows to the tune of US\$ 23,874.1 million in the period April 2000-September 2014. The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). In the period FY08-20, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Real estate has emerged as the second most active sector, raising US\$ 1.2 billion from private equity (PE) investors in the last 10 months. Foreign investors have bought tenanted office space worth over US\$ 2 billion in India in 2014, a four-fold rise compared to the previous year, in order to increase their rent-yielding commercial assets in Asia's third largest economy.

Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR). Also, Delhi-NCR was the biggest office market in India with 110 million sq ft, out of which 88 million sq ft were occupied. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times



Delhi's Central Business District (CBD) of Connaught Place has been ranked as the sixth most expensive prime office market in the world with occupancy costs at US\$ 160 per sq ft per annum.

### Major Market Players in India

The Indian real estate sector has traditionally been an unorganised sector but it is slowly evolving into a more organised one. The sector is embracing professional standards and transparency with open arms. The major established domestic players in the sector are DLF, Unitech, Hiranandani Constructions, Tata Housing, Godrej Properties, Omaxe, Parsvanath, Raheja Developers, Ansal Properties and Infrastructure and Mahindra Lifespace Developers Ltd to name a few. International players who have made a name for themselves in India include Hines, Tishman Speyer, Emaar Properties, Ascendas, Capitaland, Portman Holdings and Homex.

### Government Initiatives

The Government of India along with the governments of the respective states have taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- India's Prime Minister Mr. Narendra Modi approved the launch of Housing for All by 2022. Under the Sardar Patel Urban Housing Mission, 30 million houses will be built in India by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP) and interest subsidy.
- The Government of India has relaxed the norms to allow Foreign Direct Investment (FDI) in the construction development sector. This move should boost affordable housing projects and smart cities across the country.
- The Securities and Exchange Board of India (SEBI) has notified final regulations that will govern real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). This move will enable easier access to funds for cash-strapped developers and create a new investment avenue for institutions and high net worth individuals, and eventually ordinary investors.
- The Government of Maharashtra announced a series of measures to bring transparency and increase the ease of doing business in the real estate sector.
- The State Government of Kerala has decided to make the process of securing permits from local bodies for construction of houses smoother, as it plans to make the process online with the launch of a software called 'Sanketham'. This will ensure a more standardised procedure, more transparency, and less corruption and bribery.

### Challenges & Investment Opportunities

#### Challenges

The key challenges that the Indian real estate industry is facing today are:

- lack of clear land titles,



- absence of title insurance,
- absence of industry status,
- lack of adequate sources of finance,
- shortage of labour,
- rising manpower and material costs,
- approvals and procedural difficulties.

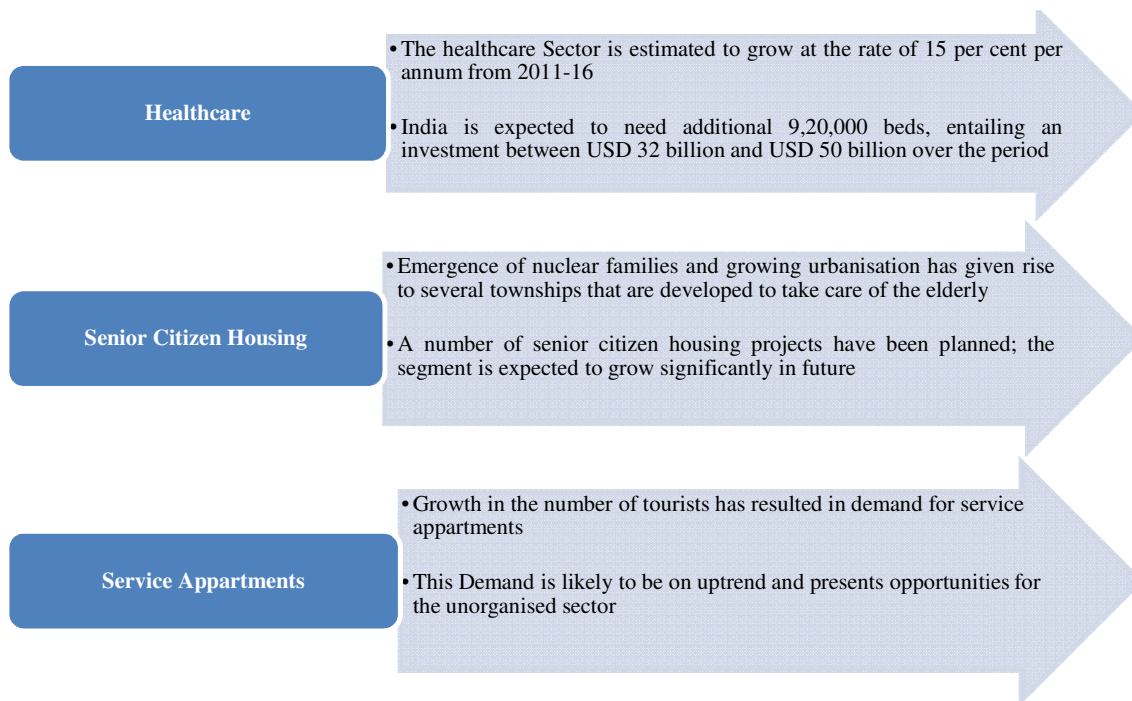
### Investments

The real estate industry in India is yet in a promising stage. The sector happens to be the second largest employer after agriculture and is expected to grow at the rate of 30 per cent over the next decade. A growing migrant population due to increasing job opportunities, together with healthy infrastructure development, is underpinning demand in the region's residential real estate market. It is believed that the Finance Ministry's motivation through softening of interest rates and lending more to the real estate sector will have a positive impact on both developers and consumers. The real estate market could start to perform better as the easing of FDI norms will begin to show results during the second half of the year.

Real estate contributed about 6.3 per cent to India's gross domestic product (GDP) in 2013. The market size of the sector is expected to increase at a compound annual growth rate (CAGR) of 11.2 per cent during FY 2008-2020 to touch US\$ 180 billion by 2020. The Government of India has allocated US\$ 1.3 billion for Rural Housing Fund in the Union Budget 2014-15. It also allocated US\$ 0.7 billion for National Housing Bank (NHB) to increase the flow of cheaper credit for affordable housing for urban poor. The government has allowed FDI of up to 100 per cent in development projects for townships and settlements.

The entry of major private players in the education sector has created vast opportunities for the real estate sector. Emergence of nuclear families and growing urbanisation has given rise to several townships that are developed to take care of the elderly. A number of senior citizen housing projects have been planned, and the segment is expected to grow significantly in future. Growth in the number of tourists has resulted in demand for service apartments. This demand is likely to be on the uptrend and presents opportunities for the unorganised sector.

### Niche sectors expected to provide growth opportunities



The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. According to data released by Department of Industrial Policy and Promotion (DIPP), the

construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.1 billion in the period April 2000-June 2015.

- Assotech Realty has tied up with Lemon Tree Hotels to manage and operate its serviced residences. The first project, 210 apartments under the branding of Sandal Suites, will be launched in Noida in 2015. The companies will launch 8-10 similar projects in a phased manner over the next seven years with an investment of Rs 8000-9000 million (US\$ 129- 145 million) approximately.
- Blackstone Group LP is all set to become the largest owner of commercial office real estate in India after a three-year acquisition drive in which it spent US\$ 900 million to buy prime assets. Blackstone has acquired 29 million sq ft of office space in cities such as Bengaluru, Pune, Mumbai, and Noida on the outskirts of New Delhi.
- L&T Infra Finance Private Equity (PE) plans to raise Rs 37,500 million (US\$ 607 million) in an overseas and a domestic fund, and launch a real estate fund.
- IDFC Alternatives Ltd has sold two of its real estate investments to PE firm Blackstone Group LP. The assets - a special economic zone (SEZ) in Pune and an information technology (IT) park in Noida - were sold for a combined enterprise value of Rs 11,000 million (US\$ 178 million).
- Goldman Sachs plans to invest Rs 12,000 million (US\$ 194 million) to build a new campus in Bengaluru that can accommodate 9,000 people. The new campus is being developed in collaboration with Kalyani Developers on the Sarjapur Outer Ring Road, Bengaluru.
- Snapdeal has entered into a strategic partnership with Tata Value Homes to sell the latter's apartments on its e-commerce platform, which marks the first time that an ecommerce company has tied up with a real estate venture.
- Google Capital has invested in Bengaluru-based online property search platform, CommonFloor.com.
- Omkar Realtors and Developers Private Limited is in discussions to raise Rs 400 crore (US\$ 60.25 million) from KKR India, the local arm of PE firm Kohlberg Kravis Roberts and Co.
- Goldman Sachs bought shares worth Rs 255 crore (US\$ 38.41 million) in Vatika Hotels Private Limited, a company owned by real estate and hospitality firm Vatika Group.
- SoftBank, Falcon Edge Capital and a few others invested US\$ 90 million in Locon Solutions Private Limited, which runs Housing.com - a realty website.
- The Qatar Prince, Hamad bin Khalifa Al Thani, plans to invest Rs 1,000 billion (US\$ 15.06 billion) over the next five years in at least 10 smart cities of India.
- Real estate firm Supertech has planned to invest about Rs 2,000 crore (US\$ 301.27 million) in Gurgaon over the next few years by launching several luxury and affordable projects.
- PE firm Warburg Pincus invested Rs 1,800 crore (US\$ 271.14 million) in Piramal Realty for a minority stake in the company.
- China's Fosun International Limited is seeking to invest US\$ 100 million in Locon Solutions, the owner of Housing.com.

### Road Ahead

Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

**Exchange Rate Used:** INR 1 = US\$ 0.0148 as on July 11, 2016

*References: Ministry of Finance, Press Information Bureau (PIB), Media Reports and Publications, Department of Industrial Policy and Promotion (DIPP), CREDAI*

<http://www.ibef.org/industry/real-estate-india.aspx>

[www.indiabudget.nic.in](http://www.indiabudget.nic.in)

<http://www.cci.in/pdfs/surveys-reports/Real-Estate-Sector-in-India.pdf>

<https://www.imf.org/external/pubs/ft/weo/2016/01/pdf/text.pdf>

Source: IMF, World Economic Outlook Update, July 2016

## OUR BUSINESS

*In this section “our Company” refers to the Company, while “we”, “us” and “our” refers to India Green Reality Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information. This section should be read together with "Risk Factors" on page 11 and "Industry Overview" on page 63 of this Prospectus.*

### **Business Overview**

Our Company was originally incorporated on September 29, 2009, as India Green Reality Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra Ordinary General Meeting held on January 27, 2016 and consequently, the name of our Company was changed to “India Green Reality Limited” vide a fresh Certificate of Incorporation dated February 24, 2016, issued by the Registrar of Companies, Ahmedabad, Gujarat. The corporate identification number (CIN) of our Company is U70101GJ2009PLC058214.

We are a real estate developer with a diversified portfolio of real estate projects and engaged in the business of development and sale of residential and commercial properties including identification and acquisition of land, development of land, acquisition of development rights of projects, marketing of projects/land. Our promoters Mr. Vinod kumar M. Thaker and Mr. Amitava Samanta has been associated with real estate development for over 10 years with fair knowledge of our business and industry and has been instrumental in the growth of our Company. We believe behind the India Green project is a highly skilled and experienced team of Site Engineers, Contractors, Architects, Supervisors, and other domain experts.

Our real estate projects are broadly classified as set forth below:

- *Residential Projects:* The residential projects include townships, bungalows, resorts, club houses, and other residential projects.
- *Commercial Projects:* The commercial projects include resorts, retail and hospitality projects.

Currently, we are having three diversified projects at West Bengal and Gujarat and focusing on opportunities to build our brand in these two states. We are building bungalows of varying sizes with focus on affordable pricing at Sonarpur-Kolkata and Shantiniketan -Bolpur, both projects in the state of West Bengal. We are developing and selling plot of land and constructing bungalows as well at Nal Sarover, Gujarat. Our forthcoming project are ready to move Bunglows, Garden House and Garden Villa at Sasan-Gir-Gujarat and resorts at Jaisalmer –Rajasthan.

We are member of Confederation of Real Estate Developers Associations of India (CREDAI), a prominent body for real estate developers in India. We are also the member of The Gujarat Institute of Housing & Estate (TGIHE), "Green Building Council (IGBC) and Builders' Association of India" (BAI).

Our project “Greenland-the eco village”, aims to break through the clutter of claustrophobic houses and introduce the idea of living closer to nature.

As of now, the majority of the projects undertaken by us include land & site development including land filling, land clearing, leveling and dressing of land and making it ready for construction work etc. and civil construction projects, which include commercial, residential and industrial structures etc. As part of our growth plans we are continuously working to strengthen our infrastructure, enhance our presence and building the capabilities to execute end to end projects on our own. Our customers include both high income and mid income customers.

### **Location:**

We operate from the premises as set forth below:

<b>Registered Office of our Company</b>	12, Satyam Mall, near Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India
<b>Corporate Office of our Company</b>	308, 3 <sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road, Ahmedabad -380015, Gujarat, India
<b>Branch Office of our Company</b>	BA 29/30, Rajdanga Main Road , Near Gitanjali Stadium, Kolkata - 700107, West Bengal , India
	86A, Topsia Road , Room no. 105 (1 <sup>st</sup> Floor), Kolkata-700046, West Bengal , India

Considering the nature of Company's business, i.e. construction, the location of project depends upon the contracted site, which usually varies from project to project.

### Ongoing Projects:

The details of ongoing projects are set forth below:

#### 1. Nalsarovar, Gujarat :

At Nalsarovar, Gujarat, we are developing residential plots in varying sizes, with ample greenery, connectivity with roads and other basic infrastructure facilities. We are focusing on identifying appropriate residential land/plots and prepare development plans for developing such land/plots for our prospective customers and in certain circumstance we also advice based on our sample design to construct the bungalows on such projects. The construction is normally undertaken in one or more phases.

Set forth below are the elevations of the Nalsarover project:



#### Details of Project:-

Land Details:-							
Total Land Area (sq. yards.)	23,25,000						
Type of land	Freehold						
Structure Specification:-							
Total saleble Area (sq yards)	2025000						
No. of Residential Plots	3,815						
Break up of units							
Particulars	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total
Construction Work Start date	November 13, 2011	July 01, 2015	January 01,2016	January 01, 2018	January 01, 2019	January 01,2020	-
Expected Completion Date	June 31, 2015	December 31,2016	December 31,2017	December 31, 2018	December 31,2019	December 31,2020	-
No. of plots	1,315	500	500	500	500	500	3,815
Average Area per plots (sq yard)	450	450	450	450	450	450	-
Total Saleable Area (sq yards.)	5,91,750	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	1716750

## 2. Sonarpur - Kolkata

This project is located at Makrampur, Sonarpur known for its beautiful, scenic well connected by rail, road and other basic infrastructure facilities. We are developing duplex bungalows with varying sizes of two cottah bungalows with name of “Sandhyaraag”, Four cottah bungalows with name of “Sesher Kobita” & “Bolaka” and Six cottah bungalows with name of “Rudrabina” comprising several amenities like parking facilities, landscaped sidewalks, 24X7 security service, leisure zone to entertain and offer a full life to residents of all ages that elevate living to a whole new experience.

Set forth is the elevations of main gate of the Sonarpur Project including brief details of bungalows:-



**Sesher Kobita:-**Sesher Kobita is bungalow spread over an area admeasuring four cottah(approximately) of land with a small swimming pool in it.



**Total Construction – 2275 sqft**  
**Specifications – 4BHK, two parkings**

**Sandhyaraag:** Sandhyaraag is a bungalow spread over an area admeasuring of two cottah land.



**Total Construction – 1700 sqft**  
**Specifications – 3BHK, one parking**

**Rudrabina:** Rudrabina is a premium bungalow spread over an area admeasuring six cottah (approximately) of land with a swimming pool and garden it in.



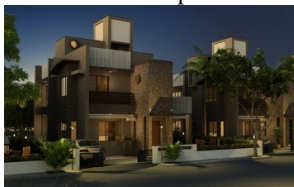
**Total Construction – 3625 sqft**  
**Specifications – 4BHK, two parkings, pool at garden**

**Pushpanjali:-**Pushpanjali, a well planned and classically built bungalow with Flora and Landscape scenic view.



**Total Construction – 3250 sqft**  
**Specifications – 4BHK, two parkings, pool at first floor**

**Bolaka:** Bolaka is a well planned bungalow spread over an area admeasuring four cottah (approximately) of land.



**Total Construction – 2850 sqft**  
**Specifications – 4BHK, two parkings**



#### Details of Project:-

Land Details					
Total Land Area (sq ft)	46,51,200				
Type of land	Freehold				
Structure Specification					
Total Construction Area (sq ft.)	3255915				
No. of Buildings	1,406				
Break up of units					
Particulars	Phase 1	Phase 2	Phase 3	Phase 4	Total
Construction Work Start date	November, 13, 2011	January, 01,2016	January, 01,2017	January, 01,2019	
Expected Completion Date	December 31,2015	December 31,2016	December 31,2018	December, 31,2020	
Bungalows					
No. of Bungalow	215	355	405	431	1,406
Average Area per Bungalow (sq ft.)	2,160	2,160	3,600	3,600	
Average Saleable Area (sq ft.)	2,095	2185	2,378	2,475	-
Total Saleable Area (sq ft.)	4,50,425	7,75,675	9,63,090	10,66,725	32,55,915

**3. Santiniketan, Bolpur:-** At Shantiniketan we are developing residential bungalows with a name of “Sabuj Potro” an ethnic look from outside and modern look & designer fixtures and fittings from inside. The bungalows are spread over an area of 2160 sq yards approximately. The project is well equipped with all modern amenities and 24X7 security service to facilitate the needs of the residents.



#### Details of Project:-

Land Details				
Land Area (sq ft.)	10,80,000			
Type of land	Freehold			
Structure Specification				
Total Construction Area (sq ft.)	7,79,160			
No. of Buildings	308			
Break up of units				
Particulars	Phase 1	Phase 2	Phase 3	Total
Construction Work Start date	13-05-2013	January 01, 2017	January 01, 2018	
Expected Completion Date	31-Dec-16	December 31,2017	December 31,2018	
Bungalows				
No. of Bungalow	115	145	48	308
Average Area per Bungalow (sq ft.)	2,160	2,160	2,160	
Average Saleable Area (sq ft.)	2,295	2595	2,895	
Total Saleable Area (sq ft.)	2,63,925	3,76,275	1,38,960	779160

***Forthcoming Projects:******Sasan Gir, Gujarat:-***

At Sasan Gir, we are planning to construct bungalows, garden house and garden villa. We are also planning to sale the plotted land to prospective buyers.

The company has entered into the joint development agreement for developing the Land.

***Jaisalmer-Rajasthan:***

At Jaisalmer, We have entered into an agreement and acquired the land and are planning to develop a resort for the tourists.

***OUR STRENGTHS:***

We derive our strengths from following factors:

**Experienced and professional management team:** - We have a qualified, experienced and dedicated management team, many having several years of experience in the Indian real estate industry. Our promoters Mr. Vinod kumar M. Thaker and Mr. Amitava Samanta has been associated with real estate development for over 10 years with fair knowledge of our business and industry and has been instrumental in the growth of our Company. We believe our management team's collective experience and execution capabilities enable us to understand and anticipate market trends, manage the growth and expansion of our business operations, procure and maintain necessary permits and licenses in a timely manner, and respond to trends in design, engineering, based on customer preferences.

**Ensuring quality, safety and productivity:**-We emphasize on safety and quality, which enables us to operate a highly productive workplace. We understand that safety, quality and productivity are related. We believe that the better we plan and prepare to get the work done on time to specification, the safer and more productive we will be. We intend to deliver projects within budget, while ensuring high quality, safety and sustainable working practices.

**Projects in hand:-** We have ongoing projects in Sonarpur and Shantiniketan both the projects are located in West Bengal & Nalsarovar project is located in Gujarat.

**Development of projects through joint development Model:-**We utilize an outsourcing model that allows scalability and emphasizes quality construction. Our Management is well assisted by experienced project manager who oversees the functions of contractors. We also have strong and long-standing relationships with various contractors. The joint development model enables us to focus on the core area of operations.

***OUR BUSINESS STRATEGY:***

The following are our key strategies:

**To focus on improving quality standards and cost structure:-**We believe in providing quality products at competitive prices and to achieve the same we need to keep a tap on our cost and make our project processes cost effective. We intend to continue to improve our quality standards and increase profitability of the Company.

**Promotion of our brand recognition:-**We propose to increase the brand recognition through various brand building efforts, communication and various promotional initiatives. Such promotion would enhance the visibility of our brand and also enhance our business positioning and credibility in the real estate industry.

**Increase geographical presence:-**We are currently focusing in and around Kolkata and Ahmedabad. Going forward we plan to establish our presence and penetrate in other parts of India and increase our market presence. We are exploring opportunities to expand our presence at such locations which are corridors of growth and are also evaluating the possibilities of entering into joint venture/co-developments to understand and penetrate newer markets.

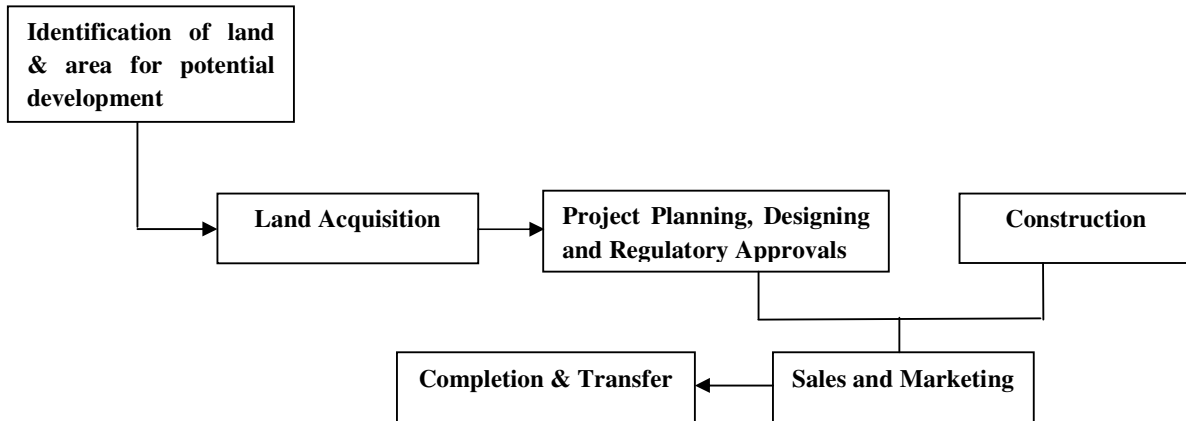
**Develop and maintain strong relationships with strategic partners:-** Our business is dependent on developing and maintaining strategic alliances with other contractors with whom we may want to enter into project-specific joint ventures or sub-contracting relationships for specific purposes. We seek to develop and maintain these



relationships and alliances. We intend to establish strategic alliances and share risks with companies whose resources, skills and strategies are complementary to our business and are likely to enhance our opportunities.

**Focus on Performance and Project Execution:-**We believe a project is truly successful only if it delivers the benefits an organization envisions. We also believe that once the project moves to the execution phase, the focus should shift on performance, participating in, observing, and analyzing the work being done. We intend to focus on developing our current and forthcoming projects in a timely and efficient manner. We further intend to continue to focus on performance and project execution in order to maximize client satisfaction. We will continue to leverage advanced technologies, designs and project management tools to increase productivity and maximize asset utilization in capital intensive construction activities.

## PHASES OF PROPERTY DEVELOPMENT



### A. Land Identification and areas for potential development

A key factor for success of our business is land identification at strategic locations at reasonable pricing or ratio. Our in-house market research helps us to evaluate any decision pertaining to acquisition or developing any of the identified properties. The process of land identification starts with selecting an appropriate area in a particular city or town, which we believe has growth potential. Our internal land development team gathers market data on possible sites while selecting a particular location for development within that area. Thereafter, we conduct market research with reference to the proposed location and identify the land within that location, after an internal feasibility assessment involving assessment of title of the land as well as the potential of development. The next step, after land identification, involves conceptualizing the type and scale of property development to be undertaken on that particular land. Substantial value addition can be done by purchasing inexpensive land and by converting the land from raw land to developable land. The conversion can be by way of changing the zone or development status of the land or by way of bringing in infrastructure or access to the land parcel.

### B. Land Acquisition or Joint Development Arrangements

Based on our feasibility study of identified land, either we acquire the land on an outright purchase or enter into a joint development agreement with the owners. The sustainability of our business is dependent on our land acquisition costs and on the availability of land for our business growth. Land costs have generally increased in the past years and we believe that this trend will continue in the future as well subject to general economic conditions and other factors. We acquire land from private parties after conducting due diligence & obtaining Title Clearance from renowned advocates. The cost of acquisition of land which includes the amounts paid for freehold rights, leasehold rights, registration, stamp duty etc. constitutes substantial part of our project cost. We are generally required to pay an advance at the time of executing transaction agreements with the remaining purchase price payable on completion of acquisition.

We also acquire the rights to develop plots/land through arrangement with other entities that owns the land or is in possession of land development rights. The entity is given the option, as consideration, to either share the sale proceeds or receive a portion of the developed/ built up area as may be mutually decided and agreed upon.

### C. Project Planning, Designing and Regulatory Approvals

Our in-house project planning, design and execution team initiates the process to obtain the applicable regulatory approvals and clearances which may be general or specific to location. In this phase, we make detailed specifications and drawings of the proposed project with the help of government approved surveyors, undertake necessary approvals and assess the resources required to complete the project. We retain responsibility for obtaining all necessary approvals and permits for each of our projects and have a team, whose function is to obtain approvals from government authorities. We work in close coordination with the government authorities and we believe that we have the requisite knowledge of the process and requirements for obtaining all necessary approvals.

### D. Construction

We follow a model of outsourcing the project execution activity by way of sub-contracting the different tasks. But to ensure quality standards, all the purchases pertaining to a project are controlled by us. Our management conducts regular site visits. We have developed a monthly internal reporting system to help ensure effective monitoring of the status of all of our projects at any given time. This has helped us to improve efficiency and reduce time and cost overruns.

### E. Sales and Marketing

Taking in account various parameters relating to the project such as target customers, cost element, price range etc., we use a blend of sales and marketing strategies, depending upon whether the project is a residential apartment or villa. The efficiency of the marketing and sales network is critical success of our Company. Our marketing and research teams collaborate to design projects based on the demographics, socio-economic factors and market trends of the target customers, cost element, price range etc. We employ various marketing approaches like launch events, corporate presentations, internet marketing, direct and indirect marketing, site branding etc.

### F. Completion and Transfer

We convey the title of the properties to the customers upon the completion of the project, and closure of the sales process as per applicable laws. We ensure the entire consideration is paid to us prior to the transfer of title. After completion of any project, we generally hand over the day-to-day management and control of the project to the association of apartment unit purchasers.

### Plant and Machinery

The details of existing Plant and Machinery owned by us and used for construction and development of sites are given below –

Machine detail	Name of Vendor /Seller	Quantity
Hydraulic trailer	ShivShakti Agriculture	1
JCB Machine	Amin Equipment, SREI Equipment p Ltd, Saini Earth Movers, Pravinbhai Thakkar	5
Land leveling	Maitri Minerals	1
Mixer Machine	Gujarat Machinery co.	1
Tractor	B.S Tractor Pvt Ltd, Amarendra Majumdar,	4

### Human Resources

Our business model requires a mix of skilled, semi-skilled and un-skilled labour. Our Company currently has 48 Employees on its payroll for the operation of its existing facilities.

The details of manpower employed as on August 31, 2016 as under:

Category	Ahmedabad	Kolkata	No. of Employees
Directors	1	1	2
Senior Managerial	3	7	10
Managers / Officers / Executives	3	14	17
Semi Skilled Staff	4	15	19
<b>Total</b>	<b>11</b>	<b>37</b>	<b>48</b>

For the development of some of our projects, we also engage third party consultant engineers, architects and interior designers. In addition to our employees, we also engage the services of unskilled labour on daily wages which include tradesmen, car drivers and other skilled, semi-skilled and unskilled workers.

### **Utilities & Infrastructure**

Our Registered & Corporate office at Ahmedabad, Gujarat and our branch office in Kolkata, West Bengal, are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for smooth functioning of business activity.

### **Water**

Water is required only for drinking and sanitary purposes and adequate water sources are available. The requirements are fully met at the existing premises.

### **Power**

The Company does not require much power except the normal requirement of the offices / business of the Company and for lighting, systems etc. Adequate power is available.

### **Safety, Health and Environment**

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavour to minimize accidents at our project sites through employment of internal safety officers and adherence to our internal policy in this regard. We believe that accidents and occupational health hazards can be significantly reduced through systematic analysis, risks control mechanisms and training of management, employees and sub-contractors.

### **Products/ Services provided by us**

The product of the Company is in the form of Residential Buildings, Bungalows, Villas, Resorts and Commercial complexes, etc.

### **Collaborations**

We have not entered into any technical or other collaboration till date.

### **Export Possibility and Obligations**

O-ur Company does not have any export obligation.

### **Capacity and Capacity utilization**

Our business is project specific and not of the nature of a manufacturing concern with specified installed capacity. Hence, capacity and capacity utilization is not applicable to us.

### **Sales & Marketing**

Taking in account various parameters relating to the project such as target customers, cost element, price range etc., we use a blend of sales and marketing strategies, depending upon whether the project is a residential or non-residential. Our marketing and research teams collaborate to design projects based on the demographics, socio-economic factors and market trends of the target customers, cost element, price range etc. We employ various marketing approaches like launch events, corporate presentations, internet marketing, direct and indirect marketing, site branding etc.

## Information Technology

We use information technology systems to enhance our performance and efficiency. We are in the process of implementing enterprise resource planning software across the various business functions in our Company to integrate systems among our departments, including engineering and accounting. This system will allow us to streamline our processes while enhancing our monitoring and control functions.

## Competition

We face competition from various regional & domestic real estate developers. Competitors having superior financial, research, execution and marketing resources than us set competition to us. We intend to diversify our presence in cities other than Ahmedabad and Kolkata and we may face risk with the presence of competitors in regional markets and in the new geographical regions where we intend to foray. We also face competition from several small unorganized operators in the residential segment. However, we expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

## Intellectual Property Rights

### Trademarks

Sr. No.	Particulars of the mark	Word / Label mark	Applicant	Trademark/ Application Number	Date of Filing	Class	Status
1.		Mark	India Green Reality Pvt. Ltd.	2257684	28-12-11	36	Registered

## Our Properties

Our Registered Office is located at 12, Satyam Mall, Nr. Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad-380015, Gujarat, India and our Corporate Office is located at 308, Iscon Mall, Near Jodhpur char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India. The details are as under:

Sr. No.	Location	Title (Leased / Owned / Rental)	Agreement Valid from	Agreement Valid till	Rent / Acquisition Cost(per month)(in Rs.)
1.	12, Satyam Mall, Nr. Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat	Lease	01/01/2016	30/11/2016	12,000/-
2.	308, Iscon Mall, Near Jodhpur char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India	Lease	03/02/2016	31/01/2021	1,40,000/-
3.	Block BA, Plot No. 29 and 30, Ground Floor, Rajdanga Main Road, Near Gitanjali Stadium, Kolkata - 700107, West Bengal, India	Lease	01/08/2016	30/06/2017	1,50,000/-
4.	86A, Topsia Road, Haute street, Flat no. 115, 1st Floor, Kolkata - 700046, West Bengal, India*	Lease	01/06/2013	31/05/2022	1,35,000/-

\*Company has also executed Furniture, Fixture and Amenities agreement dated June 01, 2013 for a period of 9 years for use of Furniture and Fixtures and paying a rent of Rs. 67,500/- per month.

Apart from above mentioned properties, we, being a real estate development and construction company, own / occupy various land parcels and properties wherein we are executing / propose to execute real estate projects.

# **Insurance Details:**

The Company has obtained insurance cover for the vehicles owned by the Company. Following are brief details of such insurance policies:

Sr. No.	Name of the policy	Policy No.	Insurance Company	Policy Tenure	Assets covered in policy	Insured Amount (Rs.)	Premium (in Rs.)
1.	Private Car Package Policy	TIL/10330552	ICICI Lombard General Insurance Company Limited	11-06-2016 to 10-06-2017	Toyota Innova	8,05,455	34,261

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to the Company being a part of the Real Estate Industry. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please refer to the chapter on "Government and other Key Approvals" The information detailed in this chapter has been obtained from the various legislations and the bye laws of the respective local authorities that are available in the public domain.*

*The regulations and policies set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice.*

### **Labour Laws**

#### ***Employees Provident Fund and Miscellaneous Provisions Act, 1952***

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

#### ***Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of five years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of "five year continuous service" is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 days wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of Rs. 10,00,000/- (Rupees Ten Lakhs Only) for an employee.

The following rules are applicable to the Company:

#### ***Payment of Gratuity (Gujarat) Rules, 1973***

#### ***Employees State Insurance Act, 1948***

The Employees State Insurance Act, 1948 (the "ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

#### ***Payment of Bonus Act, 1965***

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year and drawing salary or wage not exceeding twenty one thousand rupees is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a Company is punishable with imprisonment or a fine, against persons in charge of, and responsible to the Company for the conduct of the business of the Company at the time of contravention.

## **The Minimum Wages Act, 1948 (nus Act, 1**

The Minimum Wages Act, 1948 was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

The following rules are applicable to the Company:

**Minimum Wages (Gujarat) Rules, 1963 Payment of Bonus Act, 1965** Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory and every other establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto 6 (six) months or a fine up to ₹ 1,000/- (Rupees One Thousand Only) or both.

## ***Contract Labour (Regulation and Abolition) Act, 1970***

The object of the Contract Labour (Regulation and Abolition) Act, 1970 is to prevent exploitation of contract labour and also to introduce better conditions of work. A workman is deemed to be employed as Contract Labour when he is hired in connection with the work of an establishment by or through a Contractor. Contract workmen are indirect employees. Contract Labour, by and large is not borne on pay roll nor is paid directly. The Contract Workmen are hired, supervised and remunerated by the Contractor, who in turn, is remunerated by the Establishment hiring the services of the Contractor.

## ***The Maternity Benefit Act, 1961***

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides, inter alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

**Equal Remuneration Act, 1976** Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

## ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)***

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 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 1 (one) or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured 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).

## **The Bombay Shops & Establishments Act, 1948**

The Company has its registered office in the state of Gujarat. Accordingly the provisions of the Bombay Shops and Establishments Act, 1948 are applicable to the Company. The provisions of the Bombay Shops and Establishments Act, 1948 regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures, and wages for overtime work.



## **TAX RELATED LEGISLATIONS**

**The Central Sales Tax Act, 1956 (he Bombay S** The Central Sales tax is levied on the sale of moveable goods within India in the course of inter-state trade or commerce and is governed by the provisions of the CST Act. If the goods move between States pursuant to a sale arrangement, then the taxability of such sale is determined by the CST. On the other hand, the taxability of a sale of movable goods within the jurisdiction of the State is determined as per the local sales tax/Value Added Tax legislation in place within such State. **Value Added Tax ( inter-Value Added tax** is a system of multi-point levies on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State that has introduced VAT has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of the respective State.

The following Act and rules are applicable to the Company:

***Gujarat Value Added Tax Act, 2003, Guajrat Value Added Tax Rules, 2006.***

### **Income-tax Act, 1961 (Rules), 2006**

The Income-tax Act, 1961 is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

### **Professional Tax**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

### ***Gujarat State Tax on Professional, Trades and Callings and Employment Act, 1976 (and Callings and Employem***

The Professional Tax Act aims to provide for the levy and collection of a tax on professions for the benefit of the State. The tax payable under the Professional Tax Act by any person earning a salary or wage, shall be deducted by his employer from the salary or wage payable to such person, before such salary or wage is paid to him, and such

employer shall, irrespective of whether such deduction has been made or not, when the salary or wage is paid to such person, be liable to pay tax on behalf of all such persons. The Professional Tax Act inter-alia requires every employer liable to pay tax under the Professional Tax Act to obtain a certificate of registration from the prescribed authority. The Professional Tax Act also inter-alia requires every person liable to pay tax under the Professional Tax Act (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), to obtain a certificate of enrolment from the prescribed authority.

### **Intellectual property**

#### ***The Trade Marks Act, 1999***

The Trade Marks Act, 1999 governs the statutory protection of trademarks in India. Indian trademarks law permits registration of trademarks for goods and services. Certification trademarks and collective marks are also registrable under the Trade Marks Act. An application for trademark registration may be made by any person claiming to be the proprietor of a trademark and can be made on the basis of either current use or intention to use a trademark in the future. The registrations of certain types of trademarks are absolutely prohibited, including trademarks that are not distinctive and which indicate the kind or quality of the goods. Applications for a trademark registration may be made for in one or more classes. Once granted, trademark registration is valid for ten years, unless cancelled. The registration can be renewed for further period of ten years. If not renewed after ten years, the mark lapses and the registration for such mark have to be obtained afresh. While both registered and unregistered trademarks are protected under Indian law, the registration of trademarks offers significant advantages to the registered owner, particularly with respect to proving infringement. Registered trademarks may be protected by means of an action for infringement, whereas unregistered trademarks may only be protected by means of the common law remedy of passing off. In case of the latter, the plaintiff must, prior to proving passing off, first prove that he is the owner of the trademark concerned. In contrast, the owner of a registered trademark is prima facie regarded as the owner of the mark by virtue of the registration obtained.

### **Property Related Legislations**

#### **Transfer of Property Act, 1882 (registration)**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- **hSale:** The transfer of ownership in property for a price, paid or promised to be paid.
- The transfer of ownership in property for a price, paid or promised to be paid. opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882. The Tiability. The T.P. Act recognises several forms of mortgages over a property.
- The transfer of ownership in property for a price, paid or promised to be paid. opposed to the transfer property by operation of law, is governed by the Transfer of Property by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- The transfer of ownership in property for a price, paid or promised to be paid. opposed to the transfer property by operatio
- The trand License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.

#### **The Registration Act, 1908**

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other

documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

#### **The Indian Stamp Act, 1899 (“Stamp Act”)**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain States in India have enacted their own legislation in relation to stamp duty while the other States have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

#### **The Bombay Stamp (Gujarat Amendment) Act, 1963 (“Gujarat Stamp Act”)**

Gujarat Stamp Act prescribes the different rates of duties on the instrument falling within the various descriptions set-out in Schedule I of the said Act, then the instrument is chargeable with the highest of the duty prescribed. In addition, the said Act also prescribes methodology for adjudication, refund of duties, grievance processes and prosecutions. The Collector is normally vested with the power of adjudication. If a document is not stamped or adequately stamped, it is likely to be impounded.

#### **The Indian Contract Act, 1872 (“Contract Act”)**

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

#### **The Specific Relief Act, 1963 (“Specific Relief Act”)**

The Specific Relief Act, 1963 is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Specific Relief Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

#### **Competition Act, 2002 (“Competition Act”)**

The Competition Act, 2002 aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“**Competition Commission**”) which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

#### **OTHER REGULATIONS**

**The Real Estate (Regulation and Development) Act, 2016** is an Act of the Parliament of India which seeks to protect home-buyers as well as help boost investments in the real estate industry. The bill was passed by the Rajya Sabha on 10 March 2016 and by the Lok Sabha on 15 March 2016. The Act came into force from 1 May 2016 with

69 of 92 sections notified. The Central and state governments are liable to notify the Rules under the Act within a statutory period of six months.

The Real Estate Act makes it mandatory for all commercial and residential real estate projects where the land is over 500 square metres, or eight apartments, to register with the Real Estate Regulatory Authority (RERA) for launching a project, in order to provide greater transparency in project-marketing and execution. For on-going projects which have not received completion certificate on the date of commencement of the Act, will have to seek registration within 3 months. Application for registration must be either approved or rejected within a period of 30 days from the date of application by the RERA. Successful registration, the promoter of the project will be provided with a registration number, a login id and password for the applicants to fill up essential details on the website of the RERA. For failure to register, a penalty of up to 10 percent of the project cost or three years' imprisonment may be imposed. Real estate agents who facilitate selling or purchase of properties must take prior registration from RERA. Such agents will be issued a single registration number for each State or Union Territory, which must be quoted by the agent in every sale facilitated by him.

### **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 Act primarily regulates the formation, financing, functioning and winding up of companies. The Companies Act, 1956 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors. 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, 1956 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 has notified 98 (Ninety Eight) Sections of the Companies Act, 2013 and the same are applicable from the date of the aforesaid notification. A further 183 (One Eighty Three) Sections have been notified on March 26, 2014 and have become applicable from April 1, 2014. The Companies (Amendment) Act, 2015 has inter-alia amended various Sections of the Companies Act, 2013 to take effect from May 29, 2015. Further, vide the Companies (Amendment) Act, 2015, Section 11 of the Companies Act, 2013 has been omitted and Section 76A has been inserted in the Companies Act, 2013. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

### **The Electricity Act, 2003**

The Electricity Act, 2003 (the “EA 2003”) is a central unified legislation relating to generation, transmission, distribution, trading and use of electricity, that seeks to replace the multiple legislations that governed the Indian power sector. The most significant reform initiative under the EA 2003 was the move towards a multi buyer, multi seller system as opposed to the existing structure which permitted only a single buyer to purchase power from power generators. In addition, EA 2003 provides for a greater flexibility and grants the respective electricity regulatory commissions “greater freedom in determining tariffs, without being constrained by rate-of-return regulations. The Act seeks to encourage competition with appropriate regulatory intervention. An Appellate Tribunal to hear appeals against the decision of the Central Electricity Regulatory Commission and State Electricity Regulatory Commissions has been established. However, EA 2003 provided that transmission, distribution and trade of electricity are regulated activities which require licenses from the appropriate electricity regulatory commission, unless exempted by the appropriate government in accordance with the provisions of EA 2003. It was amended in 2007 to exempt captive power generation plants from licensing requirements for supply to any licensee or consumer. Government has also announced National Electricity Policy in 2005 to guide the development of the electricity sector in India.

Pursuant to a notification dated October 14, 2009, the Central Electricity Regulatory Commission has notified the Central Electricity Regulatory Commission (Furnishing of Technical Details by the Generating Companies) Regulations, 2009, which requires that electricity generating companies furnish technical details to the Central

Electricity Regulatory Commission regarding the generating stations operated by them. Furthermore, these regulations stipulate that any power generating company that proposes to set up a 85 generating station must provide the Central Electricity Regulatory Commission with the required technical details three years prior to the commercial operation of the stations proposed to be set up.

**In addition to the aforesaid statutory provisions the following are also application to the Company**

**Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

An Act to provide for the protection and improvement of environment and for matters connected therewith. Whereas decisions were taken at the United Nations Conference on the Human Environment held at Stockholm in June, 1972, in which India participated, to take appropriate steps for the protection and improvement of human environment;

And whereas it is considered necessary further to implement the decisions aforesaid in so far as they relate to the protection and improvement of environment and the prevention of hazards to human being, other living creatures, plants and property;

**Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)**

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

**Inter-state Migrant Workers Act, 1979**

The Act's purpose is to protect workers whose services are requisitioned outside their native states in India. Whenever an employer faces shortage of skills among the locally available workers, the act creates provision to employ better skilled workers available outside the state.

This Act makes provision for availing with the onsite services of interstate workers by the contractors / establishments to overcome only the temporary shortage of required skilled workers in a state. The purpose of this act is not to encourage interstate migration of workers against the interests of local workers as the principal employers would have to incur more cost in deploying interstate workers.

**The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951**

An Act to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises and for matters connected therewith or incidental thereto.

Whereas a declaration as to expediency of control of certain industries by the Union was made under section 2 of the Industries (Development and Regulation) Act, 1951;

And whereas it is expedient to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises and for matters connected therewith or incidental thereto;

**The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957**

The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein.

Every person employed in an establishment for hire or reward including contract labour, entices and part-time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act.

This Act though does not apply to persons mainly in managerial or administrative capacity, persons engaged in a supervisory capacity and drawing > 10,000 p.m

### **The Workmen's Compensation Act 1923**

An Act to provide for the payment by certain classes of employers to their workmen of compensation for injury by accident.

WHEREAS it is expedient to provide for the payment by certain classes of employers to their workmen of compensation for injury by accident

### **West Bengal Shops and Establishments Act, 1963**

An Act to regulate holidays, hours of work, payment of wages and leave of persons employed in shops mid establishments.

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

The Minimum Wages Act, 1948 was enacted to establish minimum wages for certain categories of employees. Under this Act, the Central and the State Governments stipulate the scheduled industries and establishments and fix minimum wages.

The following rules are applicable to the Company:

#### ***Minimum Wages (Gujarat) Rules, 1963 Payment of Bonus Act, 1965***

Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory and every other establishment where 20 (twenty) or more persons are employed on any day during an accounting year, who has worked for at least 30 (thirty) working days in a year, is eligible to be paid a bonus. Contravention of the provisions of the Payment of Bonus Act, 1965 by a company is punishable with imprisonment upto 6 (six) months or a fine up to ₹ 1,000/- (Rupees One Thousand Only) or both.

#### **Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 provides for payment of gratuity to employees employed in factories, shops and other establishments who have put in a continuous service of 5 (five) years, in the event of their superannuation, retirement, resignation, death or disablement due to accidents or diseases. The rule of 'five year continuous service' is however relaxed in case of death or disablement of an employee. Gratuity is calculated at the rate of 15 (fifteen) days' wages for every completed year of service with the employer. Presently, an employer is obliged for a maximum gratuity payout of Rs. 10,00,000/- (Rupees Ten Lakhs Only) for an employee.

The following rules are applicable to the Company:

#### ***Payment of Gratuity (Gujarat) Rules, 1973***

#### **West Bengal Fire Services Act, 1950**

The Fire Service in West Bengal is the oldest Fire Service in the country. Calcutta Fire Brigade and Bengal Fire Service were amalgamated in 1950 to form the organisation. Fire Service Act was enacted in 1950 and amended in 1996 with inclusion of fire prevention and Fire Safety Rules.

#### **The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013**

The Act regulates land acquisition and lays down the procedure and rules for granting compensation, rehabilitation and resettlement to the affected persons in India. The Act has provisions to provide fair compensation to those whose land is taken away, brings transparency to the process of acquisition of land to set up factories or buildings,



infrastructural projects and assures rehabilitation of those affected. The Act establishes regulations for land acquisition as a part of India's massive industrialisation drive driven by public-private partnership. The Act replaced the Land Acquisition Act, 1894, a nearly 120-year-old law enacted during British rule.

The Land Acquisition, Rehabilitation and Resettlement Bill, 2011 was introduced in Lok Sabha on 7 September 2011. The bill was then passed by it on 29 August 2013 and by Rajya Sabha on 4 September 2013. The bill then received the assent of the President of India, Pranab Mukherjee on 27 September 2013. The Act came into force from 1 January 2014

#### **Urban Land (Ceiling and Regulation) Act, 1976 (the “Urban Land Ceiling Act”)**

This Act was enacted to provide for the imposition of a ceiling on vacant land in urban agglomerations, for the acquisition of such land in excess of the ceiling limit, to regulate the construction of buildings on such land and for matters connected therewith, with a view to preventing the concentration of urban land in the hands of a few persons and speculation and profiteering therein and with a view to bringing about an equitable distribution of land in urban agglomerations to subserve the common good.

#### **West Bengal State Tax on Professions, Trade, Calling and Employment Act, 1979**

An Act to provide for the levy and collection of tax on professions, trades, callings and employments for raising additional resources for the benefit of the State and for matters connected therewith or incidental thereto.

#### **National Building Code of India, 2005**

It is a comprehensive building code for regulating the building construction activities across the country which came with the contribution of around 400 experts. The code was first published in 1970 at the instance of the Planning Commission of India



## **HISTORY AND CERTAIN OTHER CORPORATE MATTERS**

Our Company was originally incorporated on September 29, 2009, as India Green Reality Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra Ordinary General Meeting held on January 27, 2016 and consequently, the name of our Company was changed to “India Green Reality Limited” vide a fresh Certificate of Incorporation dated February 24, 2016, issued by the Registrar of Companies, Ahmedabad, Gujarat. The corporate identification number (CIN) of our Company is U70101GJ2009PLC058214.

We are a real estate developer with a diversified portfolio of real estate projects and engaged in the business of development and sale of residential and commercial properties including identification and acquisition of land, development of land, acquisition of development rights of projects, marketing of projects/land. Our promoters Mr. Vinod kumar M. Thaker and Mr. Amitava Samanta has been associated with real estate development for over 10 years with fair knowledge of our business and industry and has been instrumental in the growth of our Company. We believe behind the India Green project is a highly skilled and experienced team of Site Engineers, Contractors, Architects, Supervisors, and other domain experts. For further details please refer Chapter title “*Our Business*” on page 71 of this Prospectus.

The Registered Office of our Company is situated at 12, Satyam Mall, Near Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India and Corporate Office is situated at 308, Iscon Mall, Near Jodhpur char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India.

Details of Our Branch Offices:

1. BA 29/ 30, Rajdanga Main Road , Near Gitanjali Stadium, Kolkata – 700107, West Bengal , India
2. 86 A, Topsia Road , Room no. 105 (1st Floor), Kolkata – 700046, West Bengal , India

### **Changes in the Registered Office of our Company**

There have been no changes in our Registered Office address of our Company since incorporation.

### **Main Objects of our Company**

The main objects contained in the Memorandum of Association include the following:

- To carry on business of development of real estate, keeping the whole eco friendly environment, land, buildings, roads, infrastructure projects, dams, canals, bridges, highways, irrigation projects, air ports, and to construct, develop railways, tram ways, water tanks, reservoirs, marine structure, residential, commercial and industrial buildings, water supply projects, sewer projects, storm water pipeline, excavation, development of Special economic zones (SEZs) for information technology industries, electronics, electric, pharmaceuticals, multi products, agricultural industries power projects, electric projects architectural work, design of structure and any type of civil construction, repairing, renovation, removal and real estate business individually or jointly with any private party or government, local or other bodies.

### **Changes in the Memorandum of Association**

The following changes have been made in the Memorandum of Association of our Company since inception:

Date	Amendment
<b>March 31, 2012</b>	Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 50.00 Lacs divided into 5,00,000 Equity Shares of Rs.10 each to Rs. 200.00 Lacs divided into 20,00,000 Equity shares of Rs.10 each
<b>January 27, 2016</b>	Alteration of Name Clause - name of the Company was changed from ‘India Green Reality Private Limited’ to ‘India Green Reality limited’.
<b>January 27, 2016</b>	Adoption of new Memorandum of Association to bring in line with the Companies Act, 2013
<b>July 01, 2016</b>	Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 200.00 Lacs divided into 20,00,000 Equity Shares of Rs.10 each to Rs. 750.00 Lacs divided into 75,00,000 Equity shares of Rs.10 each
<b>July 27, 2016</b>	Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 750.00 Lacs divided into 75,00,000 Equity shares of Rs.10 each to Rs. 925.00 Lacs divided

Date	Amendment
	into 92,50,000 Equity shares of Rs.10 each
<b>August 29, 2016</b>	Clause V of the MOA was amended to reflect the increase in authorised share capital from Rs. 925.00 Lacs divided into 92,50,000 Equity shares of Rs.10 each to Rs. 1275.00 Lacs divided into 1,27,50,000 Equity shares of Rs.10 each

### Major Events and Milestones

Year	Particulars
2009	Our Company was originally incorporated as “India Green Reality Private Limited”
2010	Entered in the agreement to purchase / develop the land at Nal Sarovar project
2011	Entered in the agreement to purchase / develop the land at Sonarpur-Kolkata Project
	Purchase Land Bank for Project in Jaisalmer, Rajasthan
2011	Appreciation Certificate for Participating in GIHED Property
2011	Memorandum of understanding with Government of Gujarat in Vibrant Gujarat for investment in tourism department.
2011	Memorandum of understanding with Government of Gujarat in Vibrant Gujarat for investment in AMC-Urban Development.
2012	The company has been honoured by ISO Certificate ISO 14000: 2004 for their environmental management system.
2012	Certificate from Builder’s Association of India as a patron member vide membership No. WB/CAL/I/9/PAT
2012	Membership of CREDAI BENGAL
2013	Investment for the project of Shantiniketan renown as Sobuj Potro.
2016	Our Company was converted into a public limited company with the name India Green Reality Limited and received a fresh certificate of incorporation consequent upon change in status from the RoC.

### Corporate Profile of our Company

For details in relation to our corporate profile including details of our business, geographical presence, growth, competition, products, capacity build-up, technology, and managerial competence, please see sections entitled “Our Business” and “Our Management” on pages 71 and 94, of this Prospectus.

### Time and Cost Overruns in Setting Up Projects:

For details of time and cost overruns in developing our projects, see the section “Risk Factors – There may be delays and cost overruns in relation to our Ongoing Projects, and Projects under Development, and there may be delays and cost overruns in relation to our which may have an adverse effect on our business, financial condition and results of operations in relation of this Prospectus.

### Promoters of our Company

The Promoters of our Company are Mr. Vinodkumar M Thaker and Mr. Amitava Samanta. For details, see “Our Promoter Group / Group Companies / Entities” begininig on page 108 of this Prospectus.

### Holding Company of our Company

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

### Subsidiary of our Company

There is no subsidiary of our Company as on the date of filing of this Prospectus.

### The amount of Accumulated profit/ (losses) not accounted for by our Company

There is no accumulated profit/ (losses) not accounted for by our Company.

### Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against the Company.

### **Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation etc.**

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings till date.

### **Changes in the Activities of our Company during the Last Five Years**

There has been no change in the business activities of our Company during the last five years from the date of this Prospectus.

### **Changes in the Management**

There has been no change in the business activities of our Company during the last five years from the date of this Prospectus.

### **Shareholders Agreements**

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

### **Conversion of Loans into Equity**

Except details mentioned below, our Company has not converted any loan into equity since its incorporation.

<b>Date of issue/ allotment of Shares</b>	<b>No. of Equity Shares Issued</b>	<b>Face value (Rs.)</b>	<b>Issue price (Rs.)</b>	<b>Consideration (cash, bonus, consideration other than cash)</b>	<b>Nature of allotment (Bonus, swap etc.)</b>	<b>Cumulative no. of Equity Shares</b>	<b>Cumulative paid-up share capital (Rs.)</b>	<b>Cumulative share premium (Rs.)</b>
25/07/2016	3,50,000	10	75	Cash	Private Placement (Conversion of Loan into equity shares)	23,50,000	2,35,00,000	2,27,50,000
01/08/2016	10,25,000	10	60	Cash	Private Placement (Conversion of Loan into equity shares)	92,50,000	9,25,00,000	5,12,50,000

### **Strikes and Lock-Outs:**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Prospectus, our employees are not unionized.

### **Joint Venture**

Except the agreements entered in the ordinary course of the business carried on or intended to be carried on by our company, we have not entered into any other Joint Venture agreement.

### **Collaboration**

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

### **Strategic Partner**

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

### **Financial Partner -**

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

**Defaults or Rescheduling of Borrowings with Financial Institutions or Banks**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Prospectus.

**Number of Shareholders**

Our Company has 22 (Twenty Two) shareholders as on date of this Prospectus.

**Guarantees provided by our Promoters**

Other than the guarantees given to our lenders and as disclosed in the section “*Statement of Financial Indebtedness*” on page 136 of this Prospectus, our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of this Prospectus.

**Revaluation of Assets**

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

**Fund raising through Equity and Debt**

For details regarding our capital raising activities through equity and debt, refer to the section titled “Capital Structure” and “Statement of Financial Indebtness” beginning on page 40 and page 136 respectively of this Prospectus.

**Other Agreements**

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

**Non Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of filing this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association, our Company is required to have not less than three (3) Directors and not more than fifteen (15) Directors. Our Company currently have Five (5) Directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
<b>Mr. Vinodkumar M. Thaker</b>  <b>Address:</b> D/402, Sajan Apartments, Satellite, Ahmedabad- 380015, Gujarat, India  <b>Occupation:</b> Business  <b>PAN:</b> AFLPT1240H  <b>Tenure:</b> Five Years w.e.f. January 27, 2016  <b>Qualification:</b> B.Com  <b>DIN :</b> 00410719	45 Yrs	Chairman & Managing Director  Appointed as Managing Director of the company for a period of five years with effect from January 27, 2016	<b>Indian Public Limited Company - Nil</b>  <b>Indian Private Limited Company -</b> 1. Samarpan Products Pvt. Ltd. 2. India Retail Products Pvt. Ltd. 3. India Green Club and Resorts Pvt. Ltd.
<b>Mr. Amitava Samanta</b>  <b>Address:</b> Akashleena, 3 <sup>rd</sup> Floor, 83 Purbachal , PO - Haltu, Kolkata- 700078  <b>Occupation:</b> Business  <b>PAN:</b> BCQPS4197D  <b>Tenure:</b> Five years w.e.f. February 09, 2016  <b>Qualification:</b> B. Sc (Part-I)  <b>DIN :</b> 01364873	37 Yrs	Whole Time Director  Appointed as Director September 29, 2009  Change in Designation and Appointed as Whole Time Director of the company with effect February 09, 2016	<b>Indian Public Limited Company - Nil</b>  <b>Indian Private Limited Company -</b> 1. Samarpan Products Pvt. Ltd. 2. India Retail Products Pvt. Ltd. 3. India Green Club and Resorts Pvt. Ltd.
<b>Mrs. Dhanpreetkaur M. Makhija</b>  <b>Address:</b> 63 Monarch City-01, Near Shanti Asiatik School, Apple wood to Shela Road, S.P. ring Road, Shela, Ahmedabad-380058, Gujarat, India  <b>Occupation:</b> Business  <b>PAN:</b> ALRPM0275B  <b>Tenure:</b> Liable to Retire by Rotation  <b>Qualification:</b> B.Com & M.Com  <b>DIN:</b> 07424433	35 Yrs	Non-Executive Director  Appointed as Executive Director on February 03, 2016 and further change in designation from Executive Director to Non Executive Director on February 09, 2016	<b>Indian Public Limited Company - Nil</b>  <b>Indian Private Limited Company - Nil</b>
<b>Mr. Manohar B. Chunara</b>	30 Yrs	Non – Executive – Independent	<b>Indian Public Limited Company –</b> 1. Darshan Orna Ltd.

Name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
<b>Address:</b> 1, Modi Compound, Bungalow Area Road, Saijpur Bogha, Ahmedabad - 382345, Gujarat, India  <b>Occupation:</b> Professional  <b>PAN:</b> ASCPC0351N  <b>Tenure:</b> Five years w.e.f. 25 -05-2016  <b>Qualification:</b> B.Com & ACS  <b>DIN:</b> 07280916		Director  Appointed as Independent Director for a period of five years from May 25, 2016	2. Veeram Ornaments Ltd.  <b>Indian Private Limited Company - NIL</b>
<b>Mr. Shankar P. Bhagat</b>  <b>Address:</b> A9, Sharin Park, Bodakdev, Ahmedabad – 380054, Gujarat, India  <b>Occupation:</b> Professional  <b>Tenure:</b> Five years w.e.f. 25 -05-2016  <b>Qualification:</b> B.Com & ACA  <b>DIN:</b> 01359807	65 Yrs	Non – Executive –Independent Director  Appointed as Independent Director for a period of five years from May 25, 2016	<b>Indian Public Limited Company –</b> 1. Rushil Decor Ltd. 2. Riddhi Steel and Tube Ltd. 3. Amrapali Capital and Finance Services Ltd. 4. Minal Industries Ltd. 5. Oasis Tradelink Ltd. 6. Veeram Ornaments Ltd.  <b>Indian Private Limited Company - NIL</b>

For further details on their qualification, experience etc., please see their respective biographies under the heading – “*Brief Biographies*” below.

## CONFIRMATIONS

As on the date of this Prospectus:

- None of the above mentioned Directors are on the RBI List of willful defaulters as on date.
- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing this Prospectus or (b) delisted from the stock exchanges except Minal Industries Limited listed at BSE Ltd. whose shares are currently suspended due to penal reasons in which Mr. Shankar P. Bhagat holds the Directorship.
- 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.

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

**Mr. Vinodkumar M. Thaker**, aged 45 years, is the Promoter and Chairman & Managing Director of our Company. He holds a Bachelor’s degree in Commerce from The Maharaja Sayajirao University of Baroda. He has over 10 years of experience in Construction & Realty Industry. He has been instrumental in the growth of our

Company. His scope of work includes business development, tendering and project planning and other operational capabilities. He has been on the Board of our Company since inception and appointed as Managing Director on January 27, 2016.

**Mr. Amitava Samanta**, aged 37 years, is the Promoter and Whole Time Director of our Company. He is Completed his education till B.Sc (Part-I) from Vidyasagar University, Midnapore, West Bengal. He has an overall experience of 10 years in the Construction & Real Estate Industry. He is actively associated with the functionality of our Company and is involved in overall business planning, public relations and Marketing. As a Director with corporate acumen he brings value addition to our Company. He has been on the Board of our Company since inception and appointed as Whole time Director on February 09, 2016.

**Mrs. Dhanpreetkaur Makhija**, aged 35 years, is the Non-Executive Director of our Company. She holds a Bachelor's and Master's degree in Commerce from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad. She has a year of experience in field of Accounts and Finance. She has been on the Board of our Company from February 03, 2016.

**Mr. Manohar B. Chunara**, aged 30 years, is the Non-Executive Independent Director of our Company. He has completed his Bachelors in Commerce from Gujarat University and also an associate member of Institute of Companies Secretaries of India. He has around two years of experience in Legal and Secretarial other corporate related matters. Presently he is a Practicing Company Secretary. He has been on the Board of our Company since May 25, 2016.

**Mr. Shankar R. Bhagat**, aged 65 years, is the Non- Executive Independent Director of our Company. He did his Bachelors in Commerce from Bhagalpur University and also an associate member of Institute of Chartered Accountants of India. He has more than 30 years of experience in statutory audit, internal audit, revenue audit, stock audit, concurrent audit, taxation and other areas of finance. He has been on the Board of our Company since May 25, 2016.

#### **Nature of Family Relationship among Directors**

As on date, none of our Directors are related to each other.

#### **Borrowing Powers of the Directors**

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on July 15, 2016 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) and (2) 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. 50.00 Crores.

#### **Compensation to Managing Director and Whole-time Directors**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

#### **The following compensation has been approved for Managing Director and Whole Time Director:**

**Mr. Vinodkumar M Thaker, Chairman & Managing Director:** - The details of remuneration payable to Mr. Vinodkumar M Thaker, as set out in the Board resolution dated January 02, 2016 and Shareholders' resolution passed at an EGM of our Company held on January 27, 2016 is stated below:

<b>Name</b>	Mr. Vinodkumar M. Thaker
<b>Present Designation</b>	Chairman & Managing Director
<b>Period</b>	For a period of five years w.e.f. January 27, 2016
<b>Remuneration as Managing Director</b>	Rs. 6,00,000/- per annum.



<b>Perquisites</b>	Nil
<b>Others</b>	Use of car for Company's business telephone and other communication facilities at residence/other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.
<b>Remuneration paid during the FY ended 31-03-2016 as Director</b>	Rs. 23,50,000/-

\*There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

**Mr. Amitava Samanta, Whole Time Director:** The details of remuneration payable to Mr. Amitava Samanta, as set out in the Board resolution February 09, 2016 is stated below:

<b>Name</b>	Mr. Amitava Samanta
<b>Present Designation</b>	Whole Time Director
<b>Period</b>	For a period of five years w.e.f. February 09, 2016
<b>Remuneration as Whole Time Director</b>	Rs. 24,00,000/-per annum
<b>Perquisites</b>	Nil
<b>Other Facilities</b>	Use of car for Company's business telephone and other communication facilities at residence/other places, reimbursement of travelling, entertainment and all other expenses for the purpose of business incurred by him shall not be treated as perquisites.
<b>Remuneration paid during the FY ended 31-3-2016 as Director</b>	Rs. 15,50,000/-

\*There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

#### **Payment or Benefit to Non-Executive / Independent Directors of Our Company**

None of our Directors including Non-Executive Directors and Independent Directors of our Company are entitled to a sitting fee for the meeting of the Board and Committees attended. We also confirm that no remuneration is paid to any Non-Executive Directors and Independent Directors of our company.

#### **SHAREHOLDING DETAILS OF THE 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:

<b>Name of the Director</b>	<b>No. of Equity Shares</b>	<b>Pre-Issue Percentage of Shareholding</b>
Mr. Vinodkumar M. Thaker	68,25,954	73.79
Mr. Amitava Samanta	6,00,350	6.49
Mrs. Dhanpreetkaur M. Makhija	35	Negligible
Mr. Manohar B. Chunara	Nil	Nil
Mr. Shankar R. Bhagat	Nil	Nil

#### **INTEREST OF DIRECTORS**

All the Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and/or sitting fees if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of reimbursement of expenses if any payable to them under the Articles of Association. All the Directors may also be deemed to be interested in the Equity Shares of our Company, if any, held by them, their relatives or by the companies or firms or trusts in which they are interested as directors / members / partners or that may be subscribed for and allotted to them, out of the present Issue and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any other company in which they have direct /indirect interest or any partnership firm in which they are partners.

Our Directors Mr. Vinodkumar M. Thaker and Mr. Amiatava Samanta are also interested to the extent amount payable to them by the way of Rental income for the office space given to our Company on rental basis.

Further, our Directors who owns some land and they have entered into the development agreement with the company and will received the development income as per the sharing ratio/ percentage mentioned in development agreement and they are interested to the extent of income to be received as per the development agreement and any other related business agreement with our company.

Our Directors may also be interested to the extent of dividend payable to them and other distributions in respect of the Equity Shares, if any, held by them or by the companies / firms / ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue.

For further details please refer section titled “Our Promoter Group / Group Companies / Entities” on page 108 of this Prospectus.

## PROPERTY INTEREST

Except as stated otherwise in this Prospectus, our Company has not entered into any Contract, Agreements 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 the contracts, agreements or arrangements which are proposed to be entered into with them. Please refer to section “Our Promoters” and “Annexure XXI-Statement of Related Party Transaction” page 105 & Page 134 of this Prospectus.

## CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE (3) YEARS

The changes in the Directors during last three (3) years are as follows:

Name	Date of appointment	Date of cessation	Reason
Mr. Manmindersingh S. Makhija	02-01-2016	-	Appointment as Additional Director
Mr. Vinodkumar M. Thaker	27-01-2016	-	Appointment as Managing Director
Ms. Dhanpreetkaur Makhija	03-02-2016	-	Appointment as Additional Director
Mrs. Dhanpreetkaur Makhija	09-02-2016	-	Change in designation from Executive to Non-Executive Director
Mr. Amitava Samanta	09-02-2016	-	Appointment as Whole Time Director
Mr. Manmindersingh S. Makhija	-	09-02-2016	Cessation due to pre occupation
Mr. Manoharbhair B. Chunara	25-05-2016	-	Appointment as Director
Mr. Shankar P. Bhagat	25-05-2016	-	Appointment as Director
Mr. Amit R. Kotia	30-07-2016	-	Appointment as Director
Mr. Amit R. Kotia	-	30-08-2016	Cessation as Additional Director

## Corporate Governance

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations, 2015**”) with respect to corporate governance and the SEBI (ICDR) Regulations, 2009 in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company’s Equity Shares on the SME Platform of BSE Limited. Our Company is in compliance with the applicable regulations of SEBI LODR Regulations, 2015. The requirements pertaining to the Composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholder/ Investor Grievance Committee and Nomination and Remuneration Committees have already been complied with.

We have a Board constituted in compliance with the Companies Act and the SEBI LODR Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Five (5) Directors. The constitution of our Board is in compliance with the requirements of SEBI LODR Regulations, 2015.

**The following committees have been formed in compliance with the corporate governance norms:**

- A) Audit Committee
- B) Stakeholder Relationship Committee
- C) Nomination & Remuneration Committee

**Audit Committee**

Our Company has constituted an Audit Committee ("**Audit Committee**") on June 20, 2016, as per the provisions of Section 177 of the Companies Act, 2013, Regulation 18 and Part C of Schedule II of SEBI LODR Regulations, 2015.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Manoharbhair B. Chunara	Chairman	Non-Executive & Independent Director
2.	Mr. Shankar Prasad Bhagat	Member	Non-Executive & Independent Director
3.	Mrs. Dhanpreetkaur M. Makhija	Member	Non-Executive & Non-Independent Director

**Role of Audit Committee**

The terms of reference of the Audit Committee are given below:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**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; and
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).

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

**Stakeholder Relationship Committee**

Our Company has constituted a Stakeholder Relationship Committee ("**Stakeholder Relationship Committee**") on June 20, 2016 to redress the complaints of the shareholders as per the provision of Regulation 20 and Part D of Schedule II of SEBI LODR Regulations, 2015.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Manoharbhair B. Chunara	Chairman	Non-Executive & Independent Director
2.	Mr. Shankar P. Bhagat	Member	Non-Executive & Independent Director
3.	Mrs. Dhanpreetkaur M. Makhija	Member	Non-Executive & Non-Independent Director

**Role of Stakeholder Relationship Committee**

The terms of reference of our Stakeholders Relationship Committee:

1. Considering and resolving grievances of shareholders', debenture holders and other security holders;
2. Redressal of grievances of the security holders of our Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of our Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of equity shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
5. Overseeing requests for dematerialization and rematerialization of shares; and
6. Carrying out any other function contained in the SEBI Listing Regulations as and when amended from time to time.

The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The Stakeholders' Relationship Committee shall meet as and when required and shall report to our Board regarding the status of redressal of complaints received from the shareholders of our Company, for review thereof and publication along with the quarterly unaudited financial results, pursuant to the requirements of Regulation 33 of the SEBI Listing Regulations. The quorum shall be two members present.

#### **Nomination & Remuneration Committee**

Our Company has constituted a Nomination & Remuneration committee ("**Nomination & Remuneration Committee**") on June 20, 2016 as per the provision of Regulation 19 and Part D of Schedule II of SEBI LODR Regulations, 2015.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Manoharbhai B. Chunara	Chairman	Non-Executive & Independent Director
2.	Mr. Shankar P. Bhagat	Member	Non-Executive & Independent Director
3.	Mrs. Dhanpreetkaur M. Makhija	Member	Non-Executive & Non-Independent Director

The terms of reference of the Nomination & remuneration committee while formulating the policy ensure as follows:

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.

The Nomination and Remuneration Committee shall meet as and when required. The quorum shall be two members present.

#### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

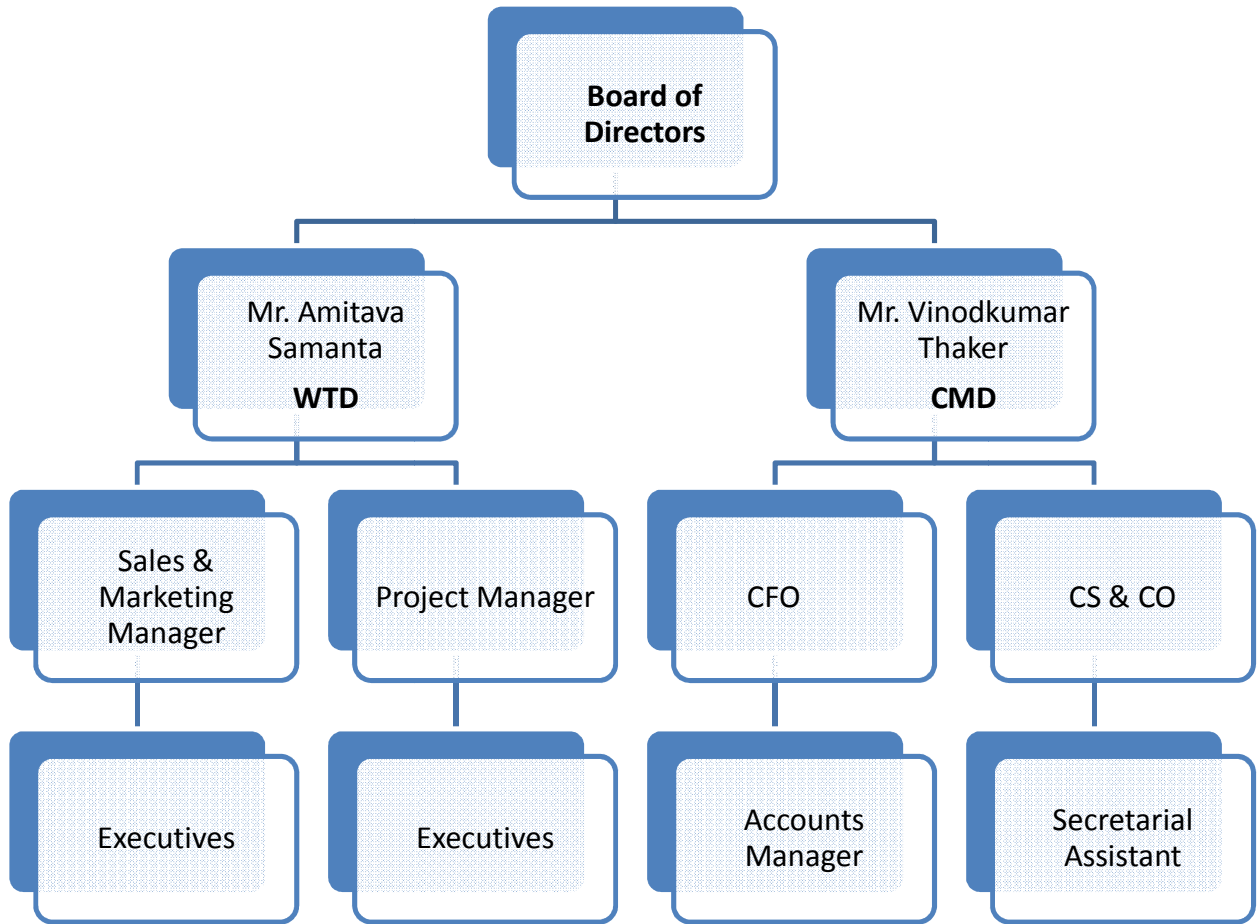
Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange. Our Company Secretary and Compliance Officer, Mr. Nirav Shah is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

#### **Our Company has adopted following policies:**

1. Code of conduct
2. Code of practices and Procedures for fair disclosure of unpublished price sensitive information
3. Whistle Blower Policy and Vigil Mechanism
4. Related Party Transaction Policy
5. Policy for preservation of documents and archival of documents
6. Policy for prevention of sexual harassment

## Organisation Structure

The following chart depicts our Management Organization Structure:



## Our Key Managerial Personnel

Our Company is managed by its Board of Directors, assisted by qualified professionals who are permanent employees of our Company, in the respective field of administration / finance / distribution / marketing and corporate laws.

### BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Mr. Vinodkumar M. Thaker**, aged 45 years, is the Promoter and Chairman & Managing Director of our Company. He holds a Bachelor's degree in Commerce from The Maharaja Sayajirao University of Baroda. He has over 10 years of experience in Construction & Realty Industry. He has been instrumental in the growth of our Company. His scope of work includes business development, tendering and project planning and other operational capabilities. He has been on the Board of our Company since inception and appointed as Managing Director on January 27, 2016. His gross salary is Rs. 6.00 Lacs p.a.

**Mr. Amitava Samanta**, aged 37 years, is the Promoter and Whole Time Director of our Company. He is Completed his education till B.Sc (Part-I) from Vidyasagar University, Midnapore, West Bengal. He has an overall experience of 10 years in the Construction & Real Estate Industry . He is actively associated with the functionality of our Company and is involved in overall business planning, public relations and Marketing. As a Director with corporate acumen he brings value addition to our Company. He has been on the Board of our Company since inception and appointed as Whole time Director on February 09, 2016. His gross salary is Rs. 24.00 Lacs p.a.

**Mr. Manmindersingh Makhija**, aged 37 years, is the Chief Financial Officer of our Company. He did his Bachelors in Commerce from Gujarat University. He is associated with our company since 2011 and appointed as CFO with effect from February 13, 2016. He has over 7 years of experience in accounts, audit, sales and marketing industry. He has been looking after the accounting system, preparation of Balance Sheet, Income Tax matter, VAT (Sales Tax) matter and other liaisoning work with various Government Authorities. He brings in his experience as an administrator and a finance person to his present job. His gross salary is Rs. 12.00 Lacs p.a.

**Mr. Nirav Shah**, aged 23 years, is Company Secretary & Compliance Officer of our Company. He did his Bachelors in Commerce from Gujarat University and also an associate member of Institute of Companies Secretaries of India. He is associated with our Company from February 03, 2016. He has around a year of experience in legal and compliance matters. His scope of work and responsibilities includes vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act. His gross salary is Rs. 2.76 Lacs p.a.

### Family Relationship between Key Managerial Personnel

As on date, none of the key managerial personnel is having family relation with each other.

### Arrangements and Understanding with Major Shareholders

As on date, none of our key managerial personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

### Shareholding of the Key Managerial Personnel

As on date, none of the key managerial personnel are holding Equity Shares of our Company except Mr. Vinodkumar M. Thaker, Mr. Amitava Samanta and Mr. Manmindersingh Makhija. Details of shareholding are given below:

Name	No. of Equity Shares	Pre-Issue Percentage of Shareholding
Mr. Vinodkumar M. Thaker	68,25,954	73.79
Mr. Amitava Samanta	6,00,350	6.49
Mr. Manmindersingh Makhija	35	Negligible
Mr. Nirav Shah	Nil	Nil

### Bonus or Profit Sharing Plan or the Key Managerial Personnel

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.



### Loans to Key Managerial Personnel

Except as disclosed in this Prospectus, There are no loans outstanding against Key Managerial Personnel as on date.

### Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company except Mr. Vinodkumar M Thaker and Mr. Amitava Samanta, who are receiving the rental income from our company for their property, 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.

Further, our KMPs who owns some land and they have entered in the development agreement with the company and will received the development income as per the sharing ratio/ percentage mentioned in development agreement and they are interested to the extent of income to be received as per the development agreement and any other related business agreement with our company.

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.

### Changes in Key Managerial Personnel of our Company during the last three (3) years

Except mentioned below, No changes in the Key Managerial Personnel of the Issuer during the last three (3) years.

Name	Date of appointment	Date of cessation	Reason
Mr. Vinodkumar M.Thaker	27-01-2016	-	Appointment as Managing Director
Mr. Amitava Samanta	09-02-2016	-	Change in designation
Mr. Manmindersingh Makhija	13-02-2016	-	Appointment as CFO
Mr. Nirav Shah	03-02-2016	-	Appointment as Company Secretary
Mr. Vinodkumar M Thaker	30-04-2016	-	Appointment as Chairman


### Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Prospectus.


### Payment or Benefit to Our Officers

Except for the payment of normal remuneration or other benefit as referred in this Prospectus for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

## OUR PROMOTERS

	<p><b>Mr. Vinodkumar M. Thaker</b>, aged 45 years, is the Promoter and Chairman &amp; Managing Director of our Company. He holds a Bachelor's degree in Commerce from The Maharaja Sayajirao University of Baroda. He has over 10 years of experience in Construction &amp; Realty Industry. He has been instrumental in the growth of our Company. His scope of work includes business development, tendering and project planning and other operational capabilities. He has been on the Board of our Company since inception and appointed as Managing Director on January 27, 2016. For further reference please refer chapter titled "Our Management" on page 94 of this Prospectus</p>
---	--

<b>Address</b>	D/402, Sajan Apartments, Satellite, Ahmedabad- 380015, Gujarat, India
<b>Occupation</b>	Business
<b>Permanent Account Number</b>	AFLPT1240H
<b>Passport Number</b>	K7059420
<b>Driving License Number</b>	GJ01/156512/04
<b>Voter Identification Card Number</b>	LPZ7725666
<b>No. of Equity Shares held in our Company</b>	6825954 Equity shares constituting to 73.79 of pre-issue capital
<b>Other Directorship &amp; Interests</b>	<p><b>India Companies :</b></p> <ol style="list-style-type: none"> <li>1. India Retail Products Pvt. Ltd.</li> <li>2. India Green Club and Resorts Pvt. Ltd.</li> <li>3. Samarpan Products Pvt. Ltd.</li> </ol> <p><b>Foreign Companies: Nil</b></p> <p><b>Other Ventures:- Nil</b></p>

	<p><b>Mr. Amitava Samanta</b>, aged 37 years, is the Promoter and Whole Time Director of our Company. He is Completed his education till B.Sc (Part-I) from Vidyasagar University, Midnapore, West Bengal. He has an overall experience of 10 years in the Construction &amp; Real Estate Industry. He is actively associated with the functionality of our Company and is involved in overall business planning, public relations and Marketing. As a Director with corporate acumen he brings value addition to our Company. He has been on the Board of our Company since inception and appointed as Whole time Director on February 09, 2016.</p>
---	---

<b>Address</b>	Akashleena, 3 <sup>rd</sup> Floor, 83, Purbachal, PO-Haltu, Kolkata – 700078, West Bengal, India
<b>Occupation</b>	Business
<b>Permanent Account Number</b>	BCQPS4197D
<b>Passport Number</b>	N4458236
<b>Driving License Number</b>	Not Available
<b>Voter Identification Card Number</b>	SCG1909837
<b>No. of Equity Shares held in our Company</b>	6,00,350 Equity shares constituting to 6.49 % of pre-issue capital
<b>Other Directorship &amp; Interests</b>	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. India Retail Products Pvt. Ltd.</li> <li>2. India Green Club and Resorts Pvt. Ltd.</li> <li>3. Samarpan Products Pvt. Ltd.</li> </ol> <p><b>Foreign Companies: Nil</b></p> <p><b>Other Ventures:- Nil</b></p>

### **Other Undertakings and Confirmations**

We confirm that the Permanent Account Number, Bank Account number and Passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### **Interest of our Promoters**

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. For details on shareholding of our Promoters in our Company, see sections “Capital Structure” and “Our Management” on pages 40 and 94 respectively.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of rent received by them for the land/properties given on lease by them, fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, terms of the Articles of Association and their terms of appointment.

Further, our Promoters who owns land/properties and have entered into the development agreement with the company will receive the development income as per the sharing ratio/ percentage mentioned in development agreement and interested to the extent of income to be received as per the development agreement and any other related business agreement with our company.

Except as stated herein and as stated in “Related Party Transactions” appearing under section titled “Financial Information of the Company” and “Statement of Financial Indebtdness” on page 116 and 136 respectively of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

### **Interest in the Property of our Company**

Our Promoters have confirmed that they do not have interest in the any property acquired by our Company within two years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus. Further, other than as mentioned in the chapter titled “Our Promoters”, our Promoter do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our promoter may be interested to the extent of rent paid by our company to promoters and their relatives who own these premises being occupied by the company. For further details please see “Our Business” and “Financial Information” beginning on page no 71 and 116 of this Prospectus.

### **Payment Amounts or Benefit to our Promoters during the Last Two Years**

Except as stated in “Statement of Related Party Transactions” on page no. 134 of this Prospectus, there has been no payment of benefits to our Promoters during the two years preceding the date of this Prospectus.

### **Common Pursuits of Promoters and Group Companies**

Save and except as mentioned below, our Promoters do not have any common pursuits and are not engaged in the business similar to those carried out by our Company.

Our Promoters have promoted our Promoter Group / Group Companies viz India Green Club and Resorts Pvt. Ltd, is engaged in the line of business similar to our Company. As on the date of this Prospectus, we cannot assure that our Promoters will not favour the interests of the said Company over our interest or that the said Company will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company. For details of our Promoter Group and Group Company refer to Section titled “*Our Promoter Group / Group Companies / Entities*” on page 108 of this Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

### **Confirmations**

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 146 of this Prospectus.. Our Promoters have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them. Our Promoters have further confirmed that they have not been prohibited or debarred from accessing or operating in the capital markets for any reasons, or restrained from buying, selling or dealing in securities, under any order or directions made by SEBI or any other authorities and that no action has been taken against them or any entity promoted or controlled by them by any regulatory authorities.

### **Disassociation with Companies/Firms by the Promoters of our Company during the Preceding Three (3) Years**

Our Promoters has not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

### **Other Ventures of our Promoters**

Save and except as disclosed in the section titled “*Our Promoters*” and “*Our Promoter Group / Group Companies / Entities*” beginning on page 105 & 108 respectively of this Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

### **Outstanding Litigation Details Pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” beginning on page 146 of this Prospectus.

### **Shareholding of the Promoters and Promoter Group in our Company**

Except as disclosed in “Capital Structure”, none of our promoters and members of our Promoter Group hold any Equity Shares as on the date of filing of this Prospectus.

### **Related Party Transactions**

For the transactions with our Promoter Group entities, please refer to section titled “*Statement of Related Party Transactions*” on page 134 of this Prospectus.

Except as stated in “*Statement of Related Party Transactions*” on page 134 of this Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

### **OUR PROMOTER GROUP / GROUP COMPANIES / ENTITIES**

In addition to the Promoters named above, the following individuals and entities forms the part of the Promoter Group:

#### **Individuals forming part of Promoter Group**

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI (ICDR) Regulations.

<b>Relationship</b>	<b>Mr. Vinodkumar M. Thaker</b>	<b>Mr. Amitava Samanta</b>
<b>Father</b>	Mahasukhlal Thaker	Dilip Kumar Samanta
<b>Mother</b>	Taraben Thaker	Sutapa Samanta
<b>Spouse</b>	Sangeeta Thakar	Sonali Samanta
<b>Brother</b>	Virendra M Thaker	-
<b>Sister</b>	Sobhana Padhiya	Poulami Samanta
<b>Son</b>	Raj Thaker	-
<b>Daughter</b>	-	-
<b>Spouse's Father</b>	Hemendra Upadhyay	Biswanath Mondal
<b>Spouse's Mother</b>	Kalpana Upadhyay	Late Srimati Debola Mondal
<b>Spouse's Brother</b>	-	-
<b>Spouse's Sister(s)</b>	Manisha Thakar & Prerna Rana	Kakali Mondal

#### **Entities forming part of the Promoter Group:**

The following entities form part of our Promoter Group pursuant to the terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

1. India Green Club and Resorts Pvt. Ltd.
2. India Retail Products Pvt. Ltd.

**Hindu Undivided Families forming part of the Promoter Group: Nil**

## GROUP COMPANIES/ENTITIES

Unless otherwise specified all information in this section is as on the date of this Prospectus.

As per the requirement of the SEBI (ICDR) Regulations, for the purpose of identification of ‘group companies’, our Company considered Companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) and such other Companies as considered material by our Board. Pursuant to policy approved in the meeting of the Board of Director of Company held on July 15, 2016, the group Companies shall be considered to be material if such Companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) and such Companies in which the Promoters of India Green Reality Limited namely Mr. Vinodkumar M. Thaker and Mr. Amitava Samanta holds individually or jointly, more than ten percent of issued, subscribed and paid up share capital or voting rights of such entities.

The Companies and other ventures which form part of our Group Companies/Entities are as follows:

1. India Green Club and Resorts Private Limited
2. India Retail Products Pvt. Ltd.
3. Samarpan Products Pvt. Ltd.

### **Listed Companies within our Group Companies**

There is no listed Company in our Group Companies.

### **Unlisted Companies within our Group Companies/Entities:-**

#### **1. India Retail Products Pvt. Ltd. (hereinafter Known As “IRPPL”)**

<b>Main objects :</b>	<ol style="list-style-type: none"> <li>1. To carry on the business of marketing and to sell goods, schemes, concepts and services of every description but not limited to electronics and home appliance whether or indirectly and to appoint commission agents, by whether name called for marketing goods service on behalf of the company and to promote the sale of goods, concepts, projects schemes and services by advising and implementing such schemes, techniques, programmes.</li> <li>2. To arrange, establish, encourage, promote, manage and organize marketing, trading for promoting concepts, schemes, projects, communication products, and projects, Agrochem products, chemical and by products whether manufactured by the company or not and for the purpose either to establish its own shops, retail counters, franchises, depots, showrooms, agencies, or marketing organization to appoint agents, representative, wholesalers, retailers, distributors, stockiest, del-credre agents, C &amp; F agents of dealers.</li> </ol>
<b>Date of Incorporation</b>	September 11, 2008
<b>CIN</b>	U52190GJ2008PTC055014
<b>PAN Card no.</b>	AABCI9511L
<b>Registered Office Address</b>	12, Satyam Mall, Nr. Jodhpur Cross Road, Satellite, Ahmedabad -380015, Gujarat, India
<b>Board of Directors</b>	<ol style="list-style-type: none"> <li>1. Vinodkumar M. Thaker</li> <li>2. Amitava Samanta</li> <li>3. Suresh H. Parmar</li> </ol>

### **Financial Performance**

The audited financial results of **IRPPL** for the last three financial years, preceding the date of this Prospectus are as follows:-

Audited Financial Information	(Rs. in Lacs, except per share data)		
	For The Year Ended		
	March 31, 2015	March 31, 2014	March 31, 2013
<b>Equity Capital (Face Value Rs. 10/-)</b>	1.00	1.00	1.00
<b>Reserves and Surplus</b>	(121.64)	(120.82)	(120.25)
<b>Net Worth</b>	(120.64)	(119.82)	(119.25)

Income including other income	0.00	0.00	0.06
Profit/ (Loss) after tax	(0.75)	(0.56)	(1.08)
Earnings per share	(7.51)	(5.63)	(10.76)
Net asset value per share (Rs. )	(1206.41)	(1198.18)	(1192.54)

Shareholding Pattern as on the date of this Prospectus is as follows:

S. No.	Name of the Shareholders	No. of Shares held	% age of Shareholding
1	Vinodkumar M. Thaker	9,999	99.99
2	Suresh H. Parmar	1	0.01
Total No. of Equity Shares		10,000	100.00

Nature and extent of interest of our Promoters:

The Promoters of our Company are interested to the extent of the Directorship & shareholding as appended below in India Retail Products Private Limited.

S. No.	Name of the Shareholders	No. of Shares held	% age of Shareholding
1	Vinodkumar M. Thaker	9,999	99.99

Other confirmations

- IRPPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up;
- No application has been made to RoC for striking off the name of IRPPL;
- There are no common pursuits among IRPPL and our Company;
- IRPPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;

## 2. Samarpan Products Pvt. Ltd. (hereinafter Known As “SPPL”)

<b>Main objects :</b>	<ol style="list-style-type: none"> <li>1. To carry on the business of marketing and to sell goods, concepts and services of every description but not limited to electronics and home appliance whether or indirectly and to appoint commission agents for marketing goods service on behalf of the company and to promote the sale of goods, concepts.</li> <li>2. To arrange, establish, encourage, promote, manage and organize marketing, trading, communication products, agrocam products, chemical and by products whether manufactured by the company or not and for the purpose either to establish its own shops, retail counters, franchises, depots, showrooms, agencies, or marketing organization to appoint agents, representative, wholesalers, retailers, distributors, stockiest, del-credre agents, C &amp; F agents or dealers.</li> </ol>
<b>Date of Incorporation</b>	March 21, 2005
<b>CIN</b>	U29309GJ2005PTC045745
<b>PAN</b>	AAICS8521P
<b>Registered Office Address</b>	FF 4, Sunrise Avenue, opp. Saraspur Nagrik Bank, Stadium to Commerce Six Road, Navrangpura, Ahmedabad – 380009, Gujarat, India
<b>Board of Directors</b>	<ol style="list-style-type: none"> <li>1. Vinodkumar M. Thaker</li> <li>2. Amitava Samanta</li> <li>3. Suresh H. Parmar</li> </ol>

## Financial Performance

The audited financial results of **SPPL** for the last three financial years, preceding the date of this Prospectus are as follows:-

**SPPL** has not prepared and filed the annual reports for the FY 2012-13 and 2013-14 in ROC.



	<i>(Rs. in Lacs, except per share data)</i>		
Audited Financial Information	For The Year Ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital (Face Value Rs. 10/-)	1.00	1.00	NA
Reserves and Surplus	(112.84)	(112.26)	NA
Net Worth	(111.84)	(111.26)	NA
Income including other income	0.00	0.00	NA
Profit/ (Loss) after tax	(0.33)	(0.44)	NA
Earnings per share	(3.26)	(4.42)	NA
Net asset value per share (Rs. )	(1118.38)	(1112.56)	NA

Shareholding Pattern as on the date of this Prospectus is as follows:

S. No.	Name of the Shareholders	No. of Shares held	% age of Shareholding
1	Mukesh R Makwana	5,000	50.00
2	Gautam R Makwana	5,000	50.00
Total No. of Equity Shares		10,000	100.00

Nature and extent of interest of our Promoters & Promoter group member:

The Promoters of our Company are interested to the extent of the Directorship in SPPL.

Other confirmations

- SPPL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up;
- No application has been made to RoC for striking off the name of SPPL;
- There are no common pursuits among SPPL and our Company;
- SPPL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;

### 3. India Green Club and Resorts Private Limited (hereinafter Known As “IGCRPL”)

<b>Main objects :</b>	To establish, own, take over, purchase, erect, acquire, manage, run, maintain, operate or carry on business of Hotels, Resorts, Guest houses, Motels, Inns, Holiday homes, Refreshment Room, Restaurants, Recreation and Entertainment centers, Tourist centers, Clubs including for Sports, Swimming pools, Artificial lakes, Health Resorts, Health clubs, Marriage halls, Conference halls, Open air theatres, Amusement Park, Theme Park, health clubs, and to provide facilities of booking for rail, airlines, bus, cars, tourist vehicles, hotels, resorts and providing holiday packages.
<b>Date of Incorporation</b>	February 25, 2013
<b>CIN</b>	U55101GJ2013PTC073705
<b>PAN</b>	AADCI1715L
<b>Registered Office Address</b>	G. F. 12 Satyam Mall, Opp. Saman Complex, Nr. Vishweshwar Mahadev Mandia, Satellite, Ahmedabad -380015, Gujarat, India
<b>Board of Directors</b>	1. Vinodkumar M.Thaker 2. Amitava Samanta 3. Virendra M. Thaker

Shareholding Pattern as on the date of this Prospectus is as follows:

S. No.	Name of the Equity Shareholder	No. of Equity Shares held	% age of Shareholding
1.	Virendra M. Thaker	6,500	65.00
2.	Vinodkumar M.Thaker	2,500	25.00
3.	Amitava Samanta	1,000	10.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>

## Financial Performance

IGCRPL has not prepared and filed the annual reports for the FY 2013-14, FY 2014-15 and FY 2015-16 in ROC.

## Nature and extent of interest of our Promoters:

The Promoters of our Company are interested to the extent of the Directorship & shareholding as appended below in India Green Club and Resorts Private Limited.

S. No.	Name of the Equity Shareholder	No. of Equity Shares held	% age of Shareholding
1.	Vinodkumar M. Thaker	2,500	25.00
2.	Amitava Samanta	1,000	10.00

## Other confirmations

- IGCRL is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995 nor is under winding up;
- No application has been made to RoC for striking off the name of IGCRL;
- There are no common pursuits among IGCRL and our Company;
- IGCRL is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;

## Negative Networth Companies

None of our Group Companies, except India Retail Products Pvt. Ltd. and Samarpan Products Pvt. Ltd. had a negative net worth in the last fiscal. The financial information has been disclosed above.

## Other Entities Promoted by our Promoters

1. HUF – Nil
2. Partnership Firm – Nil
3. Proprietary Firm - Nil

## Undertaking / Confirmations

Our Promoters & Promoter Group and Group Companies /entities confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group or Group Companies or persons in control of the Promoters have been

- (i) prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

None of the Promoters is or has ever been a promoter, director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

## Common Pursuits

Except India Green Club and Resorts Pvt. Ltd. none of our Group Companies are engaged in the activity similar to those conducted by our Company. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

For details relating to sales or purchases of our Company and any of our Group Companies, please refer to page 108; *Statement of Related Parties Transactions* on page no. 134 of the chapter titled '*Financial Information*' beginning on page no. 116 of this Prospectus.

**Litigation/ Defaults**

For details relating to legal proceedings involving the Promoters and Members of the Promoter Group, see the section titled “*Outstanding Litigation and Material Developments*” beginning on page 146 of this Prospectus.

**Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company**

There are no business transactions between our Company and the Group Companies except as stated in the section titled “*Statement of Related Party Transactions*” on page 134 of this Prospectus.

**Sale or Purchase between our Company and our Promoter Group Companies**

There are no sales or purchases between our Company and any Company in the Promoter Group and the Group Companies / Entities except as stated on under the titled “Statement of Related party transactions” on page no. 134 in this prospectus exceeding 10% of the sales or purchases of our Company.

**Sick Companies**

Except Travelclub Hotels and Resorts Private Limited in which our promoter Mr. Vinodkumar M. Thaker is director and shareholder has been struck off from the Register of Companies. There are no other Companies in our group listed above which have been declared as a sick company under the SICA. There are no winding up proceedings against any of Group Companies. Further, no application has been made by any of them to RoC to strike off their names.

**Defunct Group Companies and Entities**

None of our Group Companies and Entities has remained defunct and no application has been made to the Registrar of Companies for striking off their name from the register of companies, during the five years preceding the date of filing of this Prospectus.

**Payment of Amount or Benefits to our Group Companies during the Last Two Years**

Except as mentioned in “Statement of Related Party Transactions” on page 134 of this Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies during the last two years from the date of filing of this Prospectus.

**Shareholding of our Group Entities in our Company**

None of our Group Companies hold any Equity Shares in our Company.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Annexure XXI of the restated financial statement under the section titled “Financial Information” beginning on page 116 of this Prospectus.

## DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the Annual General Meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has a formal dividend policy. The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares.

The Dividend Rate for the last five financial years is as follows:

Year	Dividend Rate(in % )
March 31, 2012	Nil
March 31, 2013	50.00
March 31, 2014	Nil
March 31, 2015	Nil
March 31, 2016	Nil

## SECTION V - FINANCIAL INFORMATION

### Auditor's Report on Restated Financial Statements

To,  
**The Board of Directors**  
**India Green Reality Limited**  
**12, Satyam Mall, Near kameshwar school,**  
**Jodhpur char Rasta, Satellite,**  
**Ahmedabad-380015, Gujarat.**

1. We have examined the restated summary statement of assets and liabilities of **India Green Reality Limited**, (hereinafter referred to as "**the Company**") as at March 31, 2016, 2015, 2014, 2013 and 2012, restated summary statement of profit and loss and restated summary statement of cash flows for the financial year ended on March 31, 2016, 2015, 2014, 2013 and 2012 (collectively referred to as the "**restated summary statements**" or "**restated financial statements**") annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering (IPO) on SME Platform of BSE Limited ("**BSE**") of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**")
3. We have examined such restated financial statements taking into consideration:
  - (i) The terms of reference to our engagement letter with the lead merchant banker dated July 4, 2016 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of BSE Limited ("**IPO**" or "**SME IPO**"); and
  - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
4. The restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the year ended on March 31, 2016, 2015, 2014, 2013 and 2012.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
  - (i) The "**restated statement of asset and liabilities**" of the Company as at March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (ii) The "**restated statement of profit and loss**" of the Company for the financial year ended on March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The "**restated statement of cash flows**" of the Company for the financial year ended on March 31, 2016, 2015, 2014, 2013 and 2012 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

- (iv) *The Company has not maintained proper records and fails to provide sufficient and appropriate evidences for the purpose of recognizing revenue as well as valuation of Closing Stock & WIP as per AS – 7. Hence, we relied on the audited financial statements for the same purpose.*
  - (v) *The Company had recognized “Revenue from Operations” as per AS – 7. And as the company had not maintained proper records as mentioned in point (a.), we are relying on the Revenue recognized by the management and approved by the company’s auditors*
  - (vi) *As per Accounting Standard- 15: Employee Benefits issued by the Institute of Chartered Accountants of India, Company is required to assess its gratuity liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity liability in the financials.*
  - (vii) *The company had not maintained quantitative details of fixed assets purchased prior to March 31, 2014. However, the company is in process of preparing and maintaining such records.*
6. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
- a) using consistent accounting policies for all the reporting periods.
  - b) adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - c) there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) there are no audit qualifications in the audit reports issued by the statutory auditors for the financial year ended on March 31, 2016, 2015, 2014, 2013 and 2012 which would require adjustments in the restated financial statements of the Company. However, under notes to accounts for all the years, it is specified that balance of debtors, creditors, unsecured loans and loans & advances are subject to confirmations which are also not received by us so we relied on the amounts specified in the audit report.
7. Audit for the financial year ended on March 31, 2016 was conducted by M/s. Dhaval Padiya & Co. and for the financial year ended on March 31, 2015 was conducted by M/s. N P K & Associates and for the financial year ended 2014, 2013 and 2012 was conducted by M/s. Nikunj N. Chauhan & Co. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the financial year ended on March 31, 2016 have been reaudited by us as per the relevant guidelines.
8. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2016, 2015, 2014, 2013 and 2012 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

**Annexure to restated financial statements of the Company:-**

1. Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
2. Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
3. Summary statement of cash flows as restated as appearing in ANNEXURE III;
4. Significant accounting policies as restated as appearing in ANNEXURE IV;
5. Details of share capital as restated as appearing in ANNEXURE V to this report;
6. Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
7. Details of long term borrowings as restated as appearing in ANNEXURE VII to this report;
8. Details of deferred tax asset/liability as restated as appearing in ANNEXURE VIII to this report;
9. Details of other long term liabilities as restated as appearing in ANNEXURE IX to this report;
10. Details of trade payables as restated as appearing in ANNEXURE X to this report;
11. Details of other current liabilities as restated as appearing in ANNEXURE XI to this report;
12. Details of short term provisions as restated as appearing in ANNEXURE XII to this report;
13. Details of fixed assets as restated as appearing in ANNEXURE XIII to this report;
14. Details of long term loans and advances as restated as appearing in ANNEXURE XIV to this report



15. Details of inventories as restated as appearing in ANNEXURE XV to this report;
  16. Details of trade receivables as restated as appearing in ANNEXURE XVI to this report;
  17. Details of cash and cash equivalents as restated as appearing in ANNEXURE XVII to this report;
  18. Details of short term loans & advances as restated as appearing in ANNEXURE XVIII to this report;
  19. Details of revenue from operations as restated as appearing in ANNEXURE XIX to this report;
  20. Details of other income as restated as appearing in ANNEXURE XX to this report;
  21. Details of related party transactions as restated as appearing in ANNEXURE XXI to this report;
  22. Summary of significant accounting ratios as restated as appearing in ANNEXURE XXII to this report,
  23. Capitalisation statement as at 31<sup>st</sup> March, 2016 as restated as appearing in ANNEXURE XXIII to this report;
  24. Statement of tax shelters as restated as appearing in ANNEXURE XXIV to this report;
- 
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  11. Our report is intended solely for use of the management and for inclusion in the offer document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For ADV & Associates**  
**Chartered Accountants**  
**Firm Registration No. 128045W**

**Sd/-**  
**(CA Ankit Rathi)**  
**Partner**  
**Membership No. 162441**

**Mumbai,**  
**August 30, 2016**

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED		ANNEXURE - I				
		(Rs. In Lakhs)				
Sr. No.	Particulars	As at March 31,				
		2016	2015	2014	2013	2012
	<b>EQUITY AND LIABILITIES</b>					
1)	<b><u>Shareholders Funds</u></b>					
	a. Share Capital	200.00	200.00	61.00	61.00	61.00
	b. Reserves & Surplus	364.33	136.79	144.59	129.15	121.47
2)	<b><u>Non Current Liabilities</u></b>					
	a. Long Term Borrowings	818.74	675.14	624.58	496.37	521.46
	b. Deferred Tax Liabilities	-	-	2.30	1.34	0.72
	c. Other Long Term Liabilities	-	10,455.84	7,554.84	5,107.53	3,093.18
3)	<b><u>Current Liabilities</u></b>					
	a. Short Term Borrowings	-	-	-	-	-
	a. Trade Payables	676.20	707.79	793.82	1,110.54	415.20
	b. Other Current Liabilities	8,966.76	549.01	600.49	653.60	774.69
	c. Short Term Provisions	47.51	-	0.66	-	37.31
	<b>T O T A L</b>	<b>11,073.54</b>	<b>12,724.57</b>	<b>9,782.28</b>	<b>7,559.53</b>	<b>5,025.03</b>
	<b>ASSETS</b>					
1)	<b><u>Non Current Assets</u></b>					
	a. Fixed Assets					
	i. Tangible Assets	274.06	256.83	237.75	172.96	72.18
	ii. Intangible Assets	0.54	0.54	0.54	-	-
	Less: Accumulated Depreciation	133.85	98.94	55.63	29.30	8.33
	iii. Capital Work in Progress	107.15	107.15	104.20	-	-
	<b>Net Block</b>	<b>247.90</b>	<b>265.58</b>	<b>286.86</b>	<b>143.66</b>	<b>63.85</b>
	b. Deferred Tax Assets (Net)	6.02	4.08	-	-	-
	c. Long Term Loans & Advances	49.11	9.68	28.79	13.12	0.75
2)	<b><u>Current Assets</u></b>					
	a. Inventories	8,297.11	7,179.15	5,209.25	1,933.42	572.36
	b. Trade Receivables	1,778.90	1,278.22	1,282.83	1,251.73	1,439.09
	c. Cash and Cash Equivalents	98.85	223.91	36.69	107.39	36.42
	d. Short Term Loans & Advances	595.65	3,763.95	2,937.86	4,110.21	2,912.56
	e. Other Current Assets	-	-	-	-	-
	<b>T O T A L</b>	<b>11,073.54</b>	<b>12,724.57</b>	<b>9,782.28</b>	<b>7,559.53</b>	<b>5,025.03</b>

STATEMENT OF PROFIT AND LOSS AS RESTATED		ANNEXURE - II				
		(Rs. In Lakhs)				
Sr. No.	Particulars	For the year ended March 31,				
		2016	2015	2014	2013	2012
<b>A</b>	<b>INCOME</b>					
	Revenue from Operations	3,936.92	57.24	52.69	158.12	1,367.84
	Other Income	199.93	86.42	42.17	11.59	1.71
	<b>Total Income (A)</b>	<b>4,136.85</b>	<b>143.66</b>	<b>94.86</b>	<b>169.71</b>	<b>1,369.55</b>
<b>B</b>	<b>EXPENDITURE</b>					
	Purchase of Stock in Trade	3,106.73	790.24	1,746.74	-	211.97
	Changes in inventories of finished goods, traded goods and work-in-progress	(1,117.96)	(1,969.89)	(3,275.83)	(1,361.07)	(556.49)
	Employee benefit expenses	191.69	177.88	154.30	143.15	85.39
	Finance costs	3.77	11.32	3.50	8.79	1.67
	Depreciation and amortisation expense	34.91	43.31	26.33	21.06	7.86
	Other Expenses	1,574.36	1,099.86	1,416.83	1,346.71	1,515.89
	<b>Total Expenses (B)</b>	<b>3,793.50</b>	<b>152.72</b>	<b>71.87</b>	<b>158.64</b>	<b>1,266.29</b>
<b>C</b>	<b>Profit before extraordinary items and tax</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	Prior period items (Net)	-	-			
	<b>Profit before exceptional, extraordinary items and tax (A-B)</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	Exceptional items		-	-	-	
	<b>Profit before extraordinary items and tax</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	Extraordinary items	-	-	-	-	-
<b>D</b>	<b>Profit before tax</b>	<b>343.35</b>	<b>(9.06)</b>	<b>22.99</b>	<b>11.07</b>	<b>103.26</b>
	<i>Tax expense :</i>					
	(i) Current tax	117.75	5.12	6.59	2.77	33.79
	(ii) Deferred tax	(1.94)	(6.38)	0.96	0.62	0.72
	(iii) Income Tax for Earlier Years	-	-	-	-	-
<b>E</b>	<b>Total Tax Expense</b>	<b>115.81</b>	<b>(1.26)</b>	<b>7.55</b>	<b>3.39</b>	<b>34.51</b>
						.
<b>F</b>	<b>Profit for the year (D-E)</b>	<b>227.54</b>	<b>(7.80)</b>	<b>15.44</b>	<b>7.68</b>	<b>68.75</b>

<b>STATEMENT OF CASH FLOW AS RESTATED</b>		<b>ANNEXURE -III</b>				
		(Rs. In Lakhs)				
<b>Particulars</b>	<b>For the year ended March 31,</b>					
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	
<b><u>Cash Flow From Operating Activities:</u></b>						
Net Profit before tax as per Profit And Loss A/c	343.35	(9.06 )	22.99	11.07	103.26	
<b><u>Adjustments for:</u></b>						
Depreciation & Amortisation Expense	34.91	43.31	26.33	21.06	7.86	
Interest Expense	3.77	11.32	3.50	8.79	1.67	
Interest Income	-	-	(0.85 )	(0.01 )	-	
<b>Operating Profit Before Working Capital Changes</b>	<b>382.03</b>	<b>45.57</b>	<b>51.97</b>	<b>40.91</b>	<b>112.79</b>	
Adjusted for (Increase)/ Decrease in:						
Inventories	(1,117.96 )	(1,969.89 )	(3,275.83 )	(1,361.07 )	(556.49 )	
Trade Receivables	(500.68 )	4.61	(31.11 )	187.36	(759.88)	
Short Term Loans & Advances	3,128.86	(806.99 )	1,156.69	(1,210.01 )	(512.81 )	
Trade Payables	(31.60 )	(86.02 )	(316.72 )	695.34	247.76	
Other Current Liabilities	8,417.76	(51.48 )	(53.11 )	(121.09 )	(2,100.89 )	
<b>Cash Generated From Operations</b>	<b>10,278.41</b>	<b>(2,864.20 )</b>	<b>(2,468.11 )</b>	<b>(1,768.56 )</b>	<b>(3,569.52 )</b>	
Net Income Tax paid/ refunded	(70.24 )	(5.78 )	(5.93 )	(40.17 )	(29.25 )	
<b>Net Cash Flow from/(used in) Operating Activities: (A)</b>	<b>10,208.17</b>	<b>(2,869.98 )</b>	<b>(2,474.04 )</b>	<b>(1,808.73 )</b>	<b>(3,598.77 )</b>	
<b><u>Cash Flow From Investing Activities:</u></b>						
Purchase of Fixed Assets (including capital work in progress)	(17.23 )	(22.03 )	(169.53 )	(100.77 )	(48.24 )	
Interest Income	-	-	0.85	0.01	-	
<b>Net Cash Flow from/(used in) Investing Activities: (B)</b>	<b>(17.23 )</b>	<b>(22.03 )</b>	<b>(168.68 )</b>	<b>(100.76 )</b>	<b>(48.24 )</b>	
<b><u>Cash Flow from Financing Activities:</u></b>						
Proceeds From issue of Share Capital	-	139.00	-	-	60.00	
Net Increase/(Decrease) in Borrowings	143.61	50.55	128.21	(25.10 )	521.46	
Net Increase/(Decrease) in Other Long Term Liabilities	(10,455.84 )	2,901.00	2,447.31	2,014.35	3,093.18	
Interest paid	(3.77 )	(11.32 )	(3.50 )	(8.79 )	(1.67 )	
<b>Net Cash Flow from/(used in) Financing Activities ( C)</b>	<b>(10,316.00 )</b>	<b>3,079.23</b>	<b>2,572.02</b>	<b>1,980.46</b>	<b>3,672.97</b>	
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(125.06 )</b>	<b>187.22</b>	<b>(70.70 )</b>	<b>70.97</b>	<b>25.96</b>	
Cash & Cash Equivalents As At Beginning of the Year	223.91	36.69	107.39	36.42	10.46	
<b>Cash &amp; Cash Equivalents As At End of the Year</b>	<b>98.85</b>	<b>223.91</b>	<b>36.69</b>	<b>107.39</b>	<b>36.42</b>	

## **ANNEXURE IV (A)**

### **RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **CORPORATE INFORMATION**

India Green Reality Limited was incorporated in the year 2009 and is engaged in construction and development business.

#### **A. Basis of preparation of Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at March 2016, 2015, 2014, 2013 and 2012 and the related restated summary statement of profits and loss and cash flows for the period / years ended March 2016, 2015, 2014, 2013 and 2012 (herein collectively referred to as (' Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the period /years ended on March 2016, 2015, 2014, 2013 and 2012, approved by the Board of Directors of the Company. restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

#### **B. Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialized.

#### **C. Fixed Assets:**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

#### **D. Depreciation:**

Depreciation on fixed assets for the year ended on March 31, 2014, 2013 and 2012 is calculated on Straight Line Method (WDV) basis for all tangible and intangible assets using the rates prescribed under Schedule XIV of the Companies Act, 1956. The Company has not maintained quantitative details for fixed assets purchased prior to March 31, 2014. Management is in the process of updating the records. And for the said reason, depreciation on fixed assets purchased before March 31, 2014 is calculated by taking base of WDV as on 1<sup>st</sup> April, 2014. However, depreciation on fixed assets purchased after April 1, 2014 is calculated on WDV basis for all tangible and intangible assets using the rates arrived at based on the method prescribed under Schedule II of the Companies Act, 2013. Software is amortized over the period of 5 years.

#### **E. Valuation of Inventories:**

Inventory is to be valued as per AS – 7. However, no such policy of inventory valuation is specified in the audit reports and also while reauditing the financial statements for the year 2015-16. Hence, we relied on the valuation done by the management for the same purpose and which has been audited by the company's auditors.

#### **F. Valuation of Investments:**

- i. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.
- ii. Current Investments are carried at lower of cost and fair value determined on an individual investment basis.
- iii. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

#### **G. Revenue Recognition:**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Due to non-availability of sufficient and appropriate evidences, we have relied on Revenue from Operations recognized the management and which has been approved by the company's auditors.

#### **H. Employee Benefits:**

All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

#### **I. Earning Per Share:**

Basic earning per share is computed by dividing the net profit after tax for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

#### **J. Taxation & Deferred Tax:**

Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

#### **K. Contingent Liabilities / Provisions**

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

#### ***Presentation and disclosure of financial statements***

During the year ended 31 March 2012, the Revised Schedule VI notified under the Act, had become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has prepared the financial statements for the year ended 31 March 2012 onwards in accordance with Revised Schedule VI of the Act. The adoption of Revised Schedule VI of the Act does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements

#### **ANNEXURE – IV (B)**

#### **NOTES ON RECONCILIATION OF RESTATED PROFITS**

	(Rs in Lakhs)				
	For the year ended March 31,				
Adjustments for	2015-16	2014-15	2013-14	2012-13	2011-12
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	279.64	(20.92)	14.40	12.82	66.07

<b>Adjustments for:</b>					
Depreciation	(1.52)	6.72	(2.08)	(1.91)	(0.11)
Amortization of Miscellaneous Expenses	0.23	0.12	0.17	0.17	(0.69)
Provision for Deferred Tax Asset/(Liability)	1.94	6.38	(0.96)	(0.62)	(0.72)
Provision for Income Tax	(52.75)	(0.10)	3.91	(2.78)	4.20
<b>Net Profit/ (Loss) After Tax as restated</b>	<b>227.54</b>	<b>(7.80)</b>	<b>15.44</b>	<b>7.68</b>	<b>68.75</b>

**Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years.**

#### **Adjustments having impact on Profit**

- 1. Depreciation** – Company had not provided depreciation provision on Office Building. Also they have calculated depreciation on remaining fixed assets with the some errors which have been now reworked and provided in the Restated Financial Statements.
- 2. Amortization of Miscellaneous Expenses** – Company had amortized Miscellaneous Expenses (which is in the nature of Deferred Revenue Expenditure) over the period of 5 years. However, the concept of deferred revenue expenditure has been eliminated in the Revised AS 26 – Intangible Assets. And now as per the Revised AS – 26, the said expenditure to be recognised in the year in which it is incurred and not to be amortized. So, we have provided the effect of the same in the Restated Financial Statements
- 3. Provision for Deferred Tax Asset/(Liability)** – Company had not provided provision for Deferred Tax Asset/(Liability) which has now been reworked by us and provided in the Restated Financial Statements.
- 4. Provision for Income Tax** – We have reworked Income Tax Liability for all the 5 years considering effects of the above restatements and the same has been provided in the Restated Financial Statements. (See Annexure – *Statement of Tax Shelters* for reference of Income Tax Liability)

#### **Adjustments having no impact on Profit**

#### **Material Regrouping**

W.e.f, April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2011, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI. Appropriate adjustments have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

<b>DETAILS OF SHARE CAPITAL AS RESTATED</b>	<b>ANNEXURE - V</b>				
	<b>(Rs. In Lakhs)</b>				
<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>EQUITY SHARE CAPITAL :</b>					
<b>AUTHORISED:</b>					
Equity Shares of Rs. 10 each	200.00	200.00	200.00	200.00	200.00



	<b>200.00</b>	<b>200.00</b>	<b>200.00</b>	<b>200.00</b>	<b>200.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>					
Equity Shares of Rs. 10 each	200.00	200.00	61.00	61.00	61.00
	<b>200.00</b>	<b>200.00</b>	<b>61.00</b>	<b>61.00</b>	<b>61.00</b>

Reconciliation of number of shares outstanding at the end of the year:	As at March 31,				
	2016	2015	2014	2013	2012
Equity Shares at the beginning of the year	20,00,000	6,10,000	6,10,000	6,10,000	10,000
Add: Shares issued during the year	-	13,90,000	-	-	6,00,000
Add: Bonus shares issued during the year	-	-	-	-	-
<b>TOTAL</b>	<b>20,00,000</b>	<b>20,00,000</b>	<b>6,10,000</b>	<b>6,10,000</b>	<b>6,10,000</b>

Details of Shareholders holding more than 5% of the aggregate shares of the company:										
Particulars	As at March 31,2016		As at March 31,2015		As at March 31,2014		As at March 31,2013		As at March 31,2012	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Vinodkumar M Thaker	18,99,900	95.00	18,99,900	95.00	5,09,900	83.59	5,09,900	83.59	5,09,900	83.59
Amitava Samanta	1,00,100	5.01	1,00,100	5.01	1,00,100	16.41	1,00,100	16.41	1,00,100	16.41

DETAILS OF RESERVES AND SURPLUS AS RESTATED	ANNEXURE - VI				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
<b>PROFIT &amp; LOSS ACCOUNT</b>					
Opening Balance	136.79	144.59	129.15	121.47	56.24
Add: Net Profit / (Loss) after Tax for the year / period	227.54	(7.80)	15.44	7.68	68.75
Less: Proposed Final Dividend on Equity Shares	-	-	-	-	(3.05)
Less: Dividend Distribution Tax	-	-	-	-	(0.47)
<b>TOTAL</b>	<b>364.33</b>	<b>136.79</b>	<b>144.59</b>	<b>129.15</b>	<b>121.47</b>

DETAILS OF LONG TERM BORROWINGS AS RESTATED	ANNEXURE - VII				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
<b>Secured Loans</b>					
<i>Term Loan</i>					
-From FIIs	-	8.51	18.09	-	-
<i>Vehicle Loan</i>					
-From Banks	0.21	2.55	4.64	6.51	-

-From FIIs	-	-	2.33	6.19	-
<b>Unsecured Loans</b>					
-From Related Parties	524.22	514.08	499.52	483.67	521.46
-From Others	294.31	150.00	100.00	-	-
<b>TOTAL</b>	<b>818.74</b>	<b>675.14</b>	<b>624.58</b>	<b>496.37</b>	<b>521.46</b>

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS:**

<b>Nature of Security</b>	
Vehicle from Sundaram Finance for Rs. 5.2 Lacs is secured by hypothecation of Tractor for which loan is taken	Loan is repayable in 34 equated monthly installments
Vehicle from Sundaram Finance for Rs. 5.5 Lacs is secured by hypothecation of Tractor for which loan is taken	Loan is repayable in 35 equated monthly installments
Vehicle from HDFC Bank Ltd. for Rs. 9.65 Lacs is secured by hypothecation of vehicle for which loan is taken	Loan is repayable in 60 equated monthly installments
Term Loan from SREI Equipment Finance Ltd for Rs. 15,15,750 is secured by hypothecation of entire movable assets of the company.	Loan is repayable in 34 equated monthly installments
Term Loan from SREI Equipment Finance Ltd for Rs. 22,16,883 is secured by hypothecation of entire movable assets of the company.	Loan is repayable in 35 equated monthly installments

**DETAILS OF DEFERRED TAX ASSET / (LIABILITY) AS RESTATED**
**ANNEXURE - VIII**

	<b>(Rs. In Lakhs)</b>				
<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Deferred Tax Liability					
Related to WDV of Fixed Assets	-	-	(2.30)	(1.34)	(0.72)
Deferred Tax Asset					
Related to WDV of Fixed Assets	6.02	2.78	-	-	-
Related to Expenses Disallowable under Income Tax Act	-	1.30	-	-	-
<b>Deferred Tax Asset/(Liability) (net) after adjustments</b>	<b>6.02</b>	<b>4.08</b>	<b>(2.30)</b>	<b>(1.34)</b>	<b>(0.72)</b>

**DETAILS OF OTHER LONG TERM LIABILITIES AS RESTATED**
**ANNEXURE - IX**

	<b>(Rs. In Lakhs)</b>				
<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Advance from Customers	-	10,455.84	7,554.84	5,107.53	3,093.18
<b>TOTAL</b>	<b>-</b>	<b>10,455.84</b>	<b>7,554.84</b>	<b>5,107.53</b>	<b>3,093.18</b>

**DETAILS OF TRADE PAYABLES AS RESTATED**
**ANNEXURE - X**

	<b>(Rs. In Lakhs)</b>				
<b>Particulars</b>	<b>As at March 31,</b>				
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Micro, Small and Medium Enterprises	-	-	-	-	-

Others	676.20	707.79	793.82	1,110.54	415.20
<b>TOTAL</b>	<b>676.20</b>	<b>707.79</b>	<b>793.82</b>	<b>1,110.54</b>	<b>415.20</b>

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED	ANNEXURE - XI				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Advance from Customers	8,389.73	-	-	-	-
Book Overdraft	-	-	27.19	-	-
Current Maturities of Long-Term Debt	10.85	13.42	14.66	21.88	-
Statutory Dues Payable	199.30	27.37	28.87	10.82	27.39
Creditors for Expenses	366.88	508.22	529.77	620.90	747.30
<b>TOTAL</b>	<b>8,966.76</b>	<b>549.01</b>	<b>600.49</b>	<b>653.60</b>	<b>774.69</b>

DETAILS OF SHORT TERM PROVISIONS AS RESTATED	ANNEXURE - XII				
	(Rs. in Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Provision for Taxes	47.51	-	0.66	-	33.79
Proposed Dividend	-	-	-	-	3.05
Provision for Dividend Distribution Tax	-	-	-	-	0.47
<b>TOTAL</b>	<b>47.51</b>	<b>-</b>	<b>0.66</b>	<b>-</b>	<b>37.31</b>

DETAILS OF LONG TERM LOAN AND ADVANCES AS RESTATED	ANNEXURE - XIV				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Security Deposit	15.30	9.44	28.79	11.69	0.75
Advance Income Tax (Net of Provision)	33.81	0.24	-	1.43	-
<b>TOTAL</b>	<b>49.11</b>	<b>9.68</b>	<b>28.79</b>	<b>13.12</b>	<b>0.75</b>

DETAILS OF INVENTORIES AS RESTATED	ANNEXURE - XV				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Finished goods	-	700.60	700.59	645.85	156.74
WIP	8,297.11	6,478.55	4,508.66	1,287.57	415.62
<b>TOTAL</b>	<b>8,297.11</b>	<b>7,179.15</b>	<b>5,209.25</b>	<b>1,933.42</b>	<b>572.36</b>

DETAILS OF TRADE RECEIVABLES AS RESTATED	ANNEXURE - XVI				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Unsecured, considered good					
- Outstanding for more than Six Months					
From Directors/ Promoter/ Promoter Group/ Relatives of Directors and Group Companies	-	-	-	-	-
From others	1,068.50	-	-	-	-
- Other Debts					
From Directors/ Promoter/ Promoter Group/ Relatives of Directors and Group Companies	-	-	-	-	-
From others	710.40	1,278.22	1,282.83	1,251.73	1,439.09
<b>TOTAL</b>	<b>1,778.90</b>	<b>1,278.22</b>	<b>1,282.83</b>	<b>1,251.73</b>	<b>1,439.09</b>

DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED	ANNEXURE - XVII				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Cash In Hand	40.40	188.76	36.69	43.43	19.04
Balance with Scheduled Banks	58.45	35.15	-	63.96	17.38
<b>TOTAL</b>	<b>98.85</b>	<b>223.91</b>	<b>36.69</b>	<b>107.39</b>	<b>36.42</b>

DETAILS OF SHORT TERM LOAN AND ADVANCES AS RESTATED	ANNEXURE - XVIII				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Advance to Suppliers	-	14.00	14.00	106.34	54.08
Advance to Others	595.65	3,749.95	2,923.86	4,003.87	2,858.48
<b>TOTAL</b>	<b>595.65</b>	<b>3,763.95</b>	<b>2,937.86</b>	<b>4,110.21</b>	<b>2,912.56</b>

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED	ANNEXURE - XIX				
	(Rs. In Lakhs)				
Particulars	As at March 31,				
	2016	2015	2014	2013	2012
Sales of Manufactured Goods (Sale of bungalows / plots)	3,936.92	57.24	52.70	158.13	1,367.84
Sales of Traded Goods	-	-	-	-	-
Sales of Services	-	-	-	-	-
Turnover in respect of products not normally dealt with	-	-	-	-	-
<b>TOTAL</b>	<b>3,936.92</b>	<b>57.24</b>	<b>52.70</b>	<b>158.13</b>	<b>1,367.84</b>

DETAILS OF FIXED ASSETS AS RESTATED					ANNEXURE- XIII					
FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04. 2011	ADDITI ONS	DEDU CTION S	AS AT 31.03.2 012	UPTO 01.04.2 011	FOR THE YEAR	DEDU CTION S / ADJUS TMEN TS	UPTO 31.03.2 012	AS AT 31.03.2 012	AS AT 31.03.2 011
Tangible Assets										
Furniture & Fixtures	9.88	9.82	-	19.70	0.74	2.70	-	3.44	16.26	9.14
Office Building	-	12.00	-	12.00	-	0.16	-	0.16	11.84	-
Machine	9.71	9.65	-	19.36	0.21	1.76	-	1.97	17.39	9.50
Computer & Printer	1.04	4.19	-	5.23	0.20	1.18	-	1.38	3.85	0.84
Vehicle	-	0.96	-	0.96	-	0.01	-	0.01	0.95	-
Office & Equipment	3.31	11.62	-	14.93	0.19	1.18	-	1.37	13.56	3.12
<b>Grand Total</b>	<b>23.94</b>	<b>48.24</b>	<b>-</b>	<b>72.18</b>	<b>1.34</b>	<b>6.99</b>	<b>-</b>	<b>8.33</b>	<b>63.85</b>	<b>22.60</b>

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04. 2012	ADDITI ONS	DEDU CTION S	AS AT 31.03.2 013	UPTO 01.04.2 012	FOR THE YEAR	DEDU CTION S / ADJUS TMEN TS	UPTO 31.03.2 013	AS AT 31.03.2 013	AS AT 31.03.2 012
Tangible Assets										
Furniture & Fixtures	19.70	0.92	-	20.62	3.44	3.05	-	6.49	14.13	16.26
Office Building	12.00	23.26	-	35.26	0.16	1.26	-	1.42	33.84	11.84
Machine	19.36	48.44	-	67.80	1.97	6.87	-	8.84	58.96	17.39
Computer & Printer	5.23	4.32	-	9.55	1.38	2.61	-	3.99	5.56	3.85
Vehicle	0.96	20.16	0.96	20.16	0.01	5.00	0.09	4.92	15.24	0.95
Office & Equipment	14.93	4.64	-	19.57	1.37	2.27	-	3.64	15.93	13.56
		-	-			-				
<b>Grand Total</b>	<b>72.18</b>	<b>101.74</b>	<b>0.96</b>	<b>172.96</b>	<b>8.33</b>	<b>21.06</b>	<b>0.09</b>	<b>29.30</b>	<b>143.66</b>	<b>63.85</b>

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04. 2013	ADDITIO NS	DEDU CTIO NS	AS AT 31.03.2 014	UPTO 01.04.2 013	FOR THE YEAR	DEDU CTION S / ADJUS TMEN TS	UPTO 31.03. 2014	AS AT 31.03.2 014	AS AT 31.03. 2013
<b>Tangible Assets</b>										
Furniture & Fixtures	20.62	0.36	-	20.98	6.49	2.59	-	9.08	11.90	14.13
Office Building	35.26	-	-	35.26	1.42	1.69	-	3.11	32.15	33.84
Machine	67.80	52.72	-	120.52	8.84	11.68	-	20.52	100.00	58.96
Computer & Printer	9.55	4.38	-	13.93	3.99	3.18	-	7.17	6.76	5.56
Vehicle	20.16	8.41	6.55	22.02	4.92	4.28	-	9.20	12.82	15.24
Office & Equipment	19.57	5.47	-	25.04	3.64	2.69	-	6.33	18.71	15.93
<b>Total</b>	<b>172.96</b>	<b>71.34</b>	<b>6.55</b>	<b>237.75</b>	<b>29.30</b>	<b>26.11</b>	<b>-</b>	<b>55.41</b>	<b>182.34</b>	<b>143.66</b>
<b>Intangible Assets</b>										
Software	-	0.54	-	0.54	-	0.22	-	0.22	0.32	-
	-	0.54	-	0.54	-	0.22	-	0.22	0.32	-
<b>Grand Total</b>	<b>172.96</b>	<b>71.88</b>	<b>6.55</b>	<b>238.29</b>	<b>29.30</b>	<b>26.33</b>	<b>-</b>	<b>55.63</b>	<b>182.66</b>	<b>143.66</b>

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04. 2014	ADDITIO NS	DEDU CTIO NS	AS AT 31.03.20 15	UPTO 01.04. 2014	FOR THE YEAR	DEDU CTION S / ADJUS TMEN TS	UPTO 31.03. 2015	AS AT 31.03.2 015	AS AT 31.03. 2014
<b>Tangible Assets</b>										
Furniture & Fixtures	20.98	2.63	-	23.61	9.08	3.39	-	12.47	11.14	11.90
Office Building	35.26	6.00	-	41.26	3.11	3.25	-	6.36	34.90	32.15
Machine	120.52	2.78	0.83	122.47	20.52	18.34	-	38.86	83.61	100.00
Computer & Printer	13.93	1.31	-	15.24	7.17	4.78	-	11.95	3.29	6.76
Vehicle	22.02	-	-	22.02	9.20	3.32	-	12.52	9.50	12.82

Office & Equipment	25.04	7.19	-	32.23	6.33	10.17	-	16.50	15.73	18.71
<b>Total</b>	<b>237.75</b>	<b>19.91</b>	<b>0.83</b>	<b>256.83</b>	<b>55.41</b>	<b>43.25</b>	<b>-</b>	<b>98.66</b>	<b>158.17</b>	<b>182.34</b>
<b>Intangible Assets</b>										
Software	0.54	-	-	0.54	0.22	0.06	-	0.28	0.26	0.32
	0.54	-	-	0.54	0.22	0.06	-	0.28	0.26	0.32
<b>Grand Total</b>	<b>238.29</b>	<b>19.91</b>	<b>0.83</b>	<b>257.37</b>	<b>55.63</b>	<b>43.31</b>	<b>-</b>	<b>98.94</b>	<b>158.43</b>	<b>182.66</b>

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2015	ADDITIO NS	DEDU CTIO NS	AS AT 31.03.2016	UPTO 01.04.2015	FOR THE YEAR	DEDU CTION S / ADJUS TMEN TS	UPTO 31.03.2016	AS AT 31.03.2016	AS AT 31.03.2015
<b>Tangible Assets</b>										
Furniture & Fixtures	23.61	-	-	23.61	12.47	2.88	-	15.35	8.26	11.14
Office Building	41.26	5.60	-	46.86	6.36	3.31	-	9.67	37.19	34.90
Machine	122.47	2.55	-	125.02	38.86	15.60	-	54.46	70.56	83.61
Computer & Printer	15.24	2.55	-	17.79	11.95	2.18	-	14.13	3.66	3.29
Vehicle	22.02	-	-	22.02	12.52	2.46	-	14.98	7.04	9.50
Office & Equipment	32.23	6.53	-	38.76	16.50	8.43	-	24.93	13.83	15.73
<b>Total</b>	<b>256.83</b>	<b>17.23</b>	<b>-</b>	<b>274.06</b>	<b>98.66</b>	<b>34.86</b>	<b>-</b>	<b>133.52</b>	<b>140.54</b>	<b>158.17</b>
<b>Intangible Assets</b>										
Software	0.54	-	-	0.54	0.28	0.05	-	0.33	0.21	0.26
<b>Total</b>	<b>0.54</b>	<b>-</b>	<b>-</b>	<b>0.54</b>	<b>0.28</b>	<b>0.05</b>	<b>-</b>	<b>0.33</b>	<b>0.21</b>	<b>0.26</b>
<b>Grand Total</b>	<b>257.37</b>	<b>17.23</b>	<b>-</b>	<b>274.60</b>	<b>98.94</b>	<b>34.91</b>	<b>-</b>	<b>133.85</b>	<b>140.75</b>	<b>158.43</b>



DETAILS OF OTHER INCOME AS RESTATED					ANNEXURE - XX	
					(Rs. in Lakhs)	
Particulars	For the Year Ended March 31					Nature
	2016	2015	2014	2013	2012	
Other income	199.93	86.42	42.17	11.59	1.71	
Net Profit Before Tax as Restated	343.35	-9.06	22.99	11.07	103.26	
<b>Percentage</b>	<b>58.23%</b>	<b>-953.86%</b>	<b>183.43%</b>	<b>104.70%</b>	<b>1.66%</b>	

Source of Income						Nature
Form Money Received	-	-	-	-	1.50	Recurring and related to business activity.
Other Income	48.68	0.87	41.10	11.38	0.21	Recurring and not related to business activity.
Discount	-	6.15	0.22	0.20	-	Recurring and related to business activity.
Interest Income	-	-	0.85	0.01	-	Recurring and not related to business activity.
Insurance Claim Received	-	0.05	-	-	-	Non-Recurring and not related to business activity
Crop sold*	-	35.76	-	-	-	Non-Recurring and not related to business activity
Sale of Sand	-	19.67	-	-	-	Non-Recurring and not related to business activity
Scrap Sold	-	23.92	-	-	-	Non-Recurring and not related to business activity
Cultivation Income*	151.25	-	-	-	-	Non-Recurring and not related to business activity
<b>Total Other income</b>	<b>199.93</b>	<b>86.42</b>	<b>42.17</b>	<b>11.59</b>	<b>1.71</b>	

*\*Due to absence of appropriate and sufficient evidence for income received as "Cultivation Income" & "Crop Sold", we relied on the audited financial statements for the same.*

DETAILS OF ACCOUNTING RATIOS AS RESTATED		ANNEXURE - XXII				
		(Rs. in Lakhs, except per share data)				
Particulars	For the year ended March 31,					
	2016	2015	2014	2013	2012	
Restated PAT as per P& L Account	227.54	(7.80)	15.44	7.68	68.75	
Weighted Average Number of Equity Shares at the end of the Year/Period*	2,000,000	612,131	610,000	610,000	11,639	
Number of Equity Shares outstanding at the end of the Year/Period	2,000,000	2,000,000	610,000	610,000	610,000	
<b>Net Worth</b>	<b>564.33</b>	<b>336.79</b>	<b>205.59</b>	<b>190.15</b>	<b>182.47</b>	
<b>Earnings Per Share</b>						

Basic & Diluted	11.38	(1.27)	2.53	1.26	590.69
<b>Return on Net Worth (%)</b>	<b>40.32%</b>	<b>(2.32%)</b>	<b>7.51%</b>	<b>4.04%</b>	<b>37.68%</b>
<b>Net Asset Value Per Share (Rs)</b>	<b>28.22</b>	<b>16.84</b>	<b>33.70</b>	<b>31.17</b>	<b>29.91</b>
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

1. Ratios have been calculated as below	
<b>Basic and Diluted Earnings Per Share (EPS) (Rs.)</b>	Restated Profit after Tax available to equity Shareholders
	Weighted Average Number of Equity Shares at the end of the year / period
<b>Return on Net Worth (%)</b>	Restated Profit after Tax available to equity Shareholders
	Restated Net Worth of Equity Shareholders
<b>Net Asset Value per equity share (Rs.)</b>	Restated Net Worth of Equity Shareholders
	Number of Equity Shares outstanding at the end of the year / period

Capitalisation Statement as at 31st March, 2016	ANNEXURE -	XXIII
		(Rs. In Lakhs)
Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	-	-
Long Term Debt (B)	829.59	829.59
<b>Total debts (C)</b>	<b>829.59</b>	<b>829.59</b>
<b>Shareholders' funds</b>		
Equity share capital	200.00	1,271.00
Reserve and surplus - as restated	364.33	1,208.83
<b>Total shareholders' funds</b>	<b>564.33</b>	<b>2,479.83</b>
<b>Long term debt / shareholders funds</b>	1.47	0.33
<b>Total debt / shareholders funds</b>	1.47	0.33

STATEMENT OF TAX SHELTERS	ANNEXURE XXIV				
	(Rs. In Lakhs)				
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Restated Profit before tax (A)	343.35	(9.06)	22.99	11.08	103.26
Tax Rate (%)	33.06%	30.90%	30.90%	30.90%	32.44%
MAT Rate	20.38%	19.05%	19.05%	19.05%	20.00%
<b>Adjustments :</b>					
<b>Permanent Differences(B)</b>					
Donation	3.65	-	-	-	0.98
Disallowance u/s 43B	-	4.14	-	-	-
Allowance/Disallowance u/s 35D	(0.23)	(0.12)	(0.17)	(0.17)	0.69
Disallowance u/s 37	-	0.02	-	-	-
Interest on late payment of TDS	-	5.79	-	-	1.66
<b>Total Permanent Differences(B)</b>	<b>3.42</b>	<b>9.83</b>	<b>(0.17)</b>	<b>(0.17)</b>	<b>3.33</b>
<b>Timing Differences (C)</b>					
Difference between tax depreciation and book depreciation	9.37	15.80	(1.49)	(1.94)	(2.44)

<b>Total Timing Differences (C)</b>	<b>9.37</b>	<b>15.80</b>	<b>(1.49)</b>	<b>(1.94)</b>	<b>(2.44)</b>
<b>Net Adjustments D = (B+C)</b>	<b>12.79</b>	<b>25.63</b>	<b>(1.66)</b>	<b>(2.11)</b>	<b>0.89</b>
<b>Tax expense / (saving) thereon</b>	4.23	7.92	(0.51)	(0.65)	0.29
<b>Taxable Income/(Loss) (A+D)</b>	<b>356.14</b>	<b>16.57</b>	<b>21.33</b>	<b>8.97</b>	<b>104.15</b>
<b>Taxable Income/(Loss) as per MAT</b>	343.35	(9.06)	22.99	11.08	103.26
<b>Income Tax as returned / computed</b>	117.75	5.12	6.59	2.77	33.79
<b>Tax paid as per normal or MAT</b>	Income Tax	Income Tax	Income Tax	Income Tax	Income Tax

DETAILS OF RELATED PARTY TRANSACTION AS RESTATED									ANNEXURE - XXI			
Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the period year March 31, 2016	Amount outstanding as on March 31, 2016 (Payable)/ Receivable	Amount of transaction during the period year March 31, 2015	Amount outstanding as on March 31, 2015 (Payable)/ Receivable	Amount of transaction during the period year March 31, 2014	Amount outstanding as on March 31, 2014 (Payable)/ Receivable	(Rs. in Lakhs)			
									Amount of transaction during the period year March 31, 2013	Amount outstanding as on March 31, 2013 (Payable)/ Receivable	Amount of transaction during the period year March 31, 2012	Amount outstanding as on March 31, 2012 (Payable)/ Receivable
Vinod kumar M. Thaker	Managing Director	Loan taken	46.39	(240.18)	-	(242.12)	-	(361.26)	-	(361.50)	-	(360.06)
		Development	-		-		-		-		117.77	
		Assets Purchased	16.20		-		-		-		-	
		Loan Repaid	33.32		141.21		-		-		-	
		Remuneration	23.50		24.00		21.00		15.00		15.00	
		Rent paid	1.35		1.20		1.08		0.99		0.75	
		Car hire Charges	-		3.00		1.60		-		-	
Amitava Samanata	Whole Time Director	Remuneration	15.50	(0.50)	15.00	79.48	12.00	76.14	12.00	67.21	3.00	2.81
		Loan taken	-		7.99		16.26		67.52		-	
		Rent paid	1.20									
		Loan Repaid	-		4.65		7.33		3.12		-	
Sangeeta V. Thaker	Relative of vinodkumar Thaker	Loan taken	-	(11.00)	-	-11.00	2.00	(11.00)	4.00	(9.00)	25.65	(5.00)
		Loan Repaid	-		-		-		-		20.00	
India Retail Products Pvt Ltd	Promoter Group company	Loan Given	-	204.10	-	204.10	1.62	204.10	0.50	202.48	32.05	206.23
		Loan Repaid	-		-		-		4.25		1.75	
Samarpan Products	Promoter Group	Loan Given	-	12.62	-	12.62	-	12.62	5.12	12.62	-	7.50
		Loan	-		-		-		-		0.25	

Pvt Ltd	compa ny	Repaid										
Virendra M. Thaker	Relati ve of vinodk umar Thake r	Loan taken	76.00	(315.32 )	58.40	(324.01 )	-	(287.49 )	13.5 0	(277. 98)	68.7 5	(266. 19)
		Develop ment	-		-		-					
		Loan Repaid	59.70		24.95		-		10.0 2		105. 27	
		Salary	5.98		6.00		-		-		-	
		Car hire Charges	-	-	-	-	9.60	(24.95)	8.40	(15.4 4)	7.20	(7.13 )
Manisha V. Thaker	Relati ve of vinodk umar Thake r	Loan Given	-	(7.00)	-	-	-	-	-	11.51	-	11.51
		Loan Taken	7.00		-		-		-		-	
		Loan Repaid	-		-		11.51		-		-	
India Green Club and resort Pvt Ltd	Promo ter Group compa ny	Loan Given	-	2.26	-	2.26	3.06	2.26	0.20	0.20	-	-
		Loan Repaid	-		-		1.00		-		-	

### STATEMENT FINANCIAL INDEBTEDNESS

**Brief details on the financial indebtedness of India Green Reality Limited —the Company as on September 22, 2016 is as under:**

#### **SECURED LOAN**

(Amount in Rs. )

Name of Lender	Purpose	Sanction of Amount	Rate of Interest as per sanction Letter	Securities Offered	Re-payment	Outstanding amount as on September 22, 2016 as per Books
HDFC Car Loan-803	To purchase Vehicle	9,65,000.00	10.75% Per annum	-	Amount repayable in 60 monthly installments of Rs.20,912/- each.	1,41,040
SREI Equipment Finance Private Limited	To purchase Vehicle - (JCB 3DX Backhoe Loader)	1,515,750.00	14.00% per annum.	Movable property	Amount repayable in 34 monthly installments of Rs.54,900/- each.	4,73,820
Globe Fincap Limited	Revolving Loa Facility	5,00,00,000*	21% per annum	Immovable Property - Mortgage of unencumbered Land	Amount repayable After 1 year from the date of disbursement	2,50,00,000

\*Total Loan Sanction amount is Rs. 5.00 Crores, as on Spetmber 22, 2016 the disbursed amount is Rs. 2.50 Crores

#### **Unsecured Loan**

Name of Lender	Outstanding Amount as on 22.09.2016 as per Books (Rs. In Lacs)
From Directors, Shareholders, Relatives & Others.	336.00

#### **NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS:**

Nature of Security	Details of Repayment
Vehicle from HDFC Bank Ltd. for Rs. 9.65 Lacs is secured by hypothecation of vehicle for which loan is taken	Loan is repayable in 60 equated monthly installments
Term Loan from SREI Equipment Finance Ltd for Rs. 15,15,750 is secured by hypothecation of entire movable assets of the company.	Loan is repayable in 34 equated monthly installments
Term Loan from SREI Equipment Finance Ltd for Rs. 22,16,883 is secured by hypothecation of entire movable assets of the company.	Loan is repayable in 35 equated monthly installments
Term Loan from Globe Fincap Ltd for Rs. 5,00,00,000 is secured by hypothecation of the following owned properties of the Company and Promoter Mr. Amitava Samanta:- <ul style="list-style-type: none"> <li>By Company-Royapur Mouja, P.S. sonarpur, JL No.103 bearing RS Dag no. 1537, 1546, 1559 and LR Dag No. 1557, 1566, 1579 under Kalikapur 2, Gram Panchayat of Sonarpur, District-South 24 Paraganas.</li> <li>By Promoter- Royapur Mouja, P.S. sonarpur, JL No.103 bearing RS Dag no. 1505, 1538, 1532, 1535, 1681, 1682, 1684, 1685, 1507, 1746, 1697, 1700, 1583 and LR Dag No. 1525,1552,1555, 1712, 1713, 1715, 1716, 1558, 1527, 1784, 1728, 1731, 1603 under Kalikapur 2, Gram Panchayat of Sonarpur, District-South 24 Paraganas.</li> </ul>	One year from the date of first disbursement date

## **MANAGEMENT DISCUSSION & ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*You should read the following discussion and analysis of our financial condition and results of operations together with our audited restated financial statements prepared in accordance with the Companies Act and SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon of each of the financial years ended March 31, 2012, 2013, 2014, 2015 and 2016 in the chapter titled "Financial Information" on page 116 of this Prospectus. The following discussion relates to our Company and, unless otherwise stated, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Accounting Standards and other applicable provisions of the Companies Act and the SEBI (ICDR) Regulations. Our fiscal year ends on March 31 of each year so accordingly all references to a particular financial year are to the twelve months ended March 31 of that year.*

### **INDUSTRY OVERVIEW**

#### **Global Economic Overview**

Output growth in the first quarter of 2016 was somewhat better than expected in emerging market and developing economies and roughly in line with projections for advanced economies, with better-than-expected euro area growth counterbalancing weaker U.S. growth. Productivity growth in most advanced economies remained sluggish, and inflation was below target owing to slack and the effect of past declines in commodity prices. Indicators of real activity were somewhat stronger than expected in China, reflecting policy stimulus, as well as in Brazil and Russia, with some tentative signs of moderation in Brazil's deep downturn and stabilization in Russia following the rebound in oil prices. While global industrial activity and trade have been lackluster amid China's rebalancing and generally weak investment in commodity exporters, recent months have seen some pick-up due to stronger infrastructure investment in China and higher oil prices.

These data, together with financial market developments in the months before the referendum, indicated a global economic outlook broadly in line with the April 2016 WEO forecast, with some improvement of the outlook for a few large emerging markets even pointing to a modest upward revision to global growth for 2017 (0.1 percentage point).

#### **Emerging Markets and Developing Economies**

Growth in emerging market and developing economies is projected to slow from 4.6 percent in 2014 to 4.2 percent in 2015, broadly as expected. The slowdown reflects the dampening impact of lower commodity prices and tighter external financial conditions—particularly in Latin America and oil exporters, the rebalancing in China, and structural bottlenecks, as well as economic distress related to geopolitical factors—particularly in the Commonwealth of Independent States and some countries in the Middle East and North Africa. In 2016, growth in emerging market and developing economies is expected to pick up to 4.7 percent, largely on account of the projected improvement in economic conditions in a number of distressed economies, including Russia and some economies in the Middle East and North Africa. As noted in earlier WEO reports, in many other emerging market and developing economies, much of the growth slowdown in recent years has amounted to a moderation from above trend growth.

### **INDIAN ECONOMIC OVERVIEW**

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 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.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years. Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15month period before the launch.

## Recent Developments

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity. India has emerged as one of the strongest performers with respect to deals across the world in terms of Mergers and Acquisitions (M&A). The total transaction value of M&A involving Indian companies stood at US\$ 26.3 billion with 930 deals in 2015 as against US\$ 29.4 billion involving 870 deals in 2014. In the M&A space, Telecom was the dominant sector, amounting to 40 per cent of the total transaction value. Also, Private equity (PE) investments increased 86 per cent yoy to US\$ 1.43 billion. Total private equity (PE) investments in India for 2015 reached a record high of US\$ 19.5 billion through 159 deals, according to the PwC Money Tree India report.

## INDIAN REAL ESTATE SECTOR

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. It is not only successfully attracting domestic real estate developers, but foreign investors as well. The growth of the industry is attributed mainly to a large population base, rising income level, and rapid urbanisation. The sector comprises of four sub-sectors- housing, retail, hospitality, and commercial. While housing contributes to five-six percent of the country's gross domestic product (GDP), the remaining three sub-sectors are also growing at a rapid pace, meeting the increasing infrastructural needs.

The real estate sector has transformed from being unorganised to a dynamic and organized sector over the past decade. Government policies have been instrumental in providing support after recognising the need for infrastructure development in order to ensure better standard of living for its citizens. In addition to this, adequate infrastructure forms a prerequisite for sustaining the long-term growth momentum of the economy. The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade.

The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

## BUSINESS OVERVIEW

### Business Overview

Our Company was originally incorporated on September 29, 2009, as India Green Reality Private Limited under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at the Extra Ordinary General Meeting held on January 27, 2016 and consequently, the name of our Company was changed to "India Green Reality Limited" vide a fresh Certificate of Incorporation dated February 24, 2016, issued by the Registrar of Companies, Ahmedabad, Gujarat. The corporate identification number (CIN) of our Company is U70101GJ2009PLC058214.

We are a real estate developer with a diversified portfolio of real estate projects and engaged in the business of development and sale of residential and commercial properties including identification and acquisition of land, development of land, acquisition of development rights of projects, marketing of projects/land. Our promoters Mr. Vinodkumar M. Thaker and Mr. Amitava Samanta has been associated with real estate development for over 10 years with fair knowledge of our business and industry and has been instrumental in the growth of our Company. We believe behind the India Green project is a highly skilled and experienced team of Site Engineers, Contractors, Architects, Supervisors, and other domain experts.



Our real estate projects are broadly classified as set forth below:

- *Residential Projects:* The residential projects include townships, bungalows, resorts, club houses, and other residential projects.
- *Commercial Projects:* The commercial projects include resorts, retail and hospitality projects.

Currently, we are having three diversified projects at West Bengal and Gujarat and focusing on opportunities to build our brand in these two states. We are building bungalows of varying sizes with focus on affordable pricing at Sonarpur-Kolkata and Shantiniketan -Bolpur, both projects in the state of West Bengal. We are developing and selling plot of land and constructing bungalows as well at Nal Sarover, Gujarat. Our forthcoming project are ready to move Bungalows, Garden House and Garden Villa at Sasan-Gir-Gujarat and resorts at Jaisalmer –Rajasthan.

We are member of Confederation of Real Estate Developers Associations of India (CREDAI), a prominent body for real estate developers in India. We are also the member of The Gujarat Institute of Housing & Estate (TGIHE), "Green Building Council (IGBC) and Builders' Association of India" (BAI).

Our project "Greenland-the eco village", aims to break through the clutter of claustrophobic houses and introduce the idea of living closer to nature.

As of now, the majority of the projects undertaken by us include land & site development including land filling, land clearing, leveling and dressing of land and making it ready for construction work etc. and civil construction projects, which include commercial, residential and industrial structures etc. As part of our growth plans we are continuously working to strengthen our infrastructure, enhance our presence and building the capabilities to execute end to end projects on our own. Our customers include both high income and mid income customers.

#### **SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2016 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS**

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Prospectus, 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. We have passed the special resolution for approval for our IPO vide shareholders resolution dated July 15, 2016.
2. The authorized capital of the Company was increased from Rs. 925.00 Lacs divided into 92,50,000 Equity shares of Rs.10 each to Rs. 1275.00 Lacs divided into 12,750,000 Equity shares of Rs.10 each vide shareholder Resolution dated August 29, 2016.
3. We have appointed Mr. Manohar Bharatbhai Chunara, and Ms. Shankar Prasad Bhagat as Independent Directors of the Company with effect from May 25, 2016.

#### **FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS**

Our results of operations could potentially be affected by the following factors amongst others:

- The condition and performance of the property market
- General economic and demographic conditions
- Regulation affecting the real estate industry
- Our ability to acquire land at suitable costs
- Our ability to identify suitable projects and execute them in a timely and cost effective manner
- The availability of finance on favourable terms for our business and for our customers and Competition
- Changes in government policies
- Material changes in the duty or tax structure
- Competition from existing and new entrants
- Audiences taste and behavior
- Increase in the rate of interest which will affect cost of borrowings.

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various
- Our ability to attract and retain qualified personnel;
- Changes in technology;

#### Our Significant Accounting Policies:

Our significant accounting policies are described in the section entitled "**Financial Information**" on page 116 of this Prospectus.

#### Change in accounting policies in previous 3 (three) years

Except as mentioned in chapter "**Financial Information**" on page no. 116, there has been no change in accounting policies in last 3 (three) years.

#### Summary of the Results of Operation

The following table sets forth select financial data from restated profit and loss accounts for the period ended March 31, 2016, 2015, 2014 and 2013 and the components of which are also expressed as a percentage of total income for such periods.

Particulars	For the year ended March 31,							
	2016	% of Total Income	2015	% of Total Income	2014	% of Total Income	2013	% of Total Income
<b>REVENUE</b>								
Revenue from operations	3936.92	95.17%	57.24	39.84%	52.69	55.55%	158.12	93.17%
Other Income	199.93	4.83%	86.42	60.16%	42.17	44.45%	11.59	6.83%
<b>Total Income</b>	<b>4136.85</b>	<b>100.00</b>	<b>143.66</b>	<b>100.00</b>	<b>94.86</b>	<b>100.00</b>	<b>169.71</b>	<b>100.00</b>
<b>EXPENSES</b>								
Cost of materials consumed	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Purchase of stock-in-trade	3106.73	75.10%	790.24	550.08%	1746.74	1841.39%	0.00	0.00%
Changes in inventories of finished goods, traded goods and work-in-progress	(1117.96)	(27.02%)	(1969.89)	(1371.22%)	(3275.83)	(3453.33%)	(1361.07)	(802.00%)
Employee benefit expense	191.69	4.63%	177.88	123.82%	154.30	162.66%	143.15	84.35%
Finance Costs	3.77	0.09%	11.32	7.88%	3.50	3.69%	8.79	5.18%
Depreciation and amortization expense	34.91	0.84%	43.31	30.15%	26.33	27.76%	21.06	12.41%
Other expenses	1574.36	38.06%	1099.86	765.60%	1416.83	1493.60%	1346.71	793.54%
<b>Total Expenses</b>	<b>3793.5</b>	<b>91.70%</b>	<b>152.72</b>	<b>106.31%</b>	<b>71.87</b>	<b>75.76%</b>	<b>158.64</b>	<b>93.48%</b>
<b>Net Profit / (Loss) before Tax</b>	<b>343.35</b>	<b>8.30%</b>	<b>-9.06</b>	<b>(6.31%)</b>	<b>22.99</b>	<b>24.24%</b>	<b>11.07</b>	<b>6.52%</b>
<b>Less : Provision for Taxation</b>								
Current Years Income Tax	117.75	2.85%	5.12	3.56%	6.59	6.95%	2.77	1.63%
Deferred Tax	(1.94)	(0.05%)	(6.38)	(4.44%)	0.96	1.01%	0.62	0.37%

<b>Total Tax</b>	<b>115.81</b>	<b>2.80%</b>	<b>(1.26)</b>	<b>(0.88%)</b>	<b>7.55</b>	<b>7.96%</b>	<b>3.39</b>	<b>2.00%</b>
<b>Net Profit after Tax</b>	<b>227.54</b>	<b>5.50%</b>	<b>(7.80)</b>	<b>(5.43%)</b>	<b>15.44</b>	<b>16.28%</b>	<b>7.68</b>	<b>4.52%</b>

### Key Components of Our Profit And Loss Statement

**Revenue from operations:** Revenue from operations mainly consists of sale of Plots/ Bungalows, villas etc

**Other Income:** Other income primarily comprises Interest Income, Trade Discount Receivable etc.

**Purchase Expenses:** Our Purchase Expenses consist of Raw Material and Store & Tools.

**Employee benefits expense:** Employee benefit expense includes salaries and wages, staff welfare expenses, bonus, Directors remuneration and Contribution to PF, EPF, ESIC etc.

**Finance Costs:** Finance cost comprises Interest on Indebtedness, bank and other Finance charges.

**Depreciation expense:** We recognize depreciation and amortization expense on a Written down value method as per the provisions set forth in the Companies Act 2013 from 1st April 2014 and rates set forth in Companies Act, 1956 for prior period to 1st April 2014.

**Other expenses:** Other expenses consist of Power Consumption, Taxes & Duty, Legal & Professional Fees, Transport Charges and other Miscellaneous Expenses.

### COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2016 WITH FISCAL 2015

#### Total Income:

During the F.Y. 2015-16 the Total Income of our company increased to Rs. 4136.85 lacs as against Rs. 143.66 lacs for the F.Y 2014-15, representing an increase of 2779.61%. This increase is majorly due to a slightly higher scale of operation in the financial year 2015-16

#### Total Expenses:

The Total Expenditure for the F.Y. 2015-16 increased to Rs. 3793.50 lacs from Rs. 152.72 lacs during the F.Y. 2014-15. The increase of 2383.96% is in line with the increase in income during the FY 2015-16. This increase is due to increase in the production activity and other expenses to sustain the increase turnover.

#### Purchase of Stock:

Our Company has incurred Rs. 3106.73 lacs as Purchase Expenses during the F.Y. 2015-16 as against Rs. 790.24 lacs during the FY 2014-15. The increase of 293.14% is mainly due to increase in purchases of material.

#### Employee Benefits Expenses:

The employee benefit expense comprises of salaries, allowances, contribution to, staff welfare expenses and other benefits to the employees. Our Company has incurred Rs. 191.69 lacs as employee benefit expenses during the FY 2015-16 as compared to Rs. 177.88 lacs during the FY 2014-15. The increase of 7.76% as compared to previous year is due to increase in number of employees and increase in salaries.

#### Finance Costs:

Finance cost for the FY 2015-16 decreased to Rs. 3.77 lacs as against Rs. 11.32 lacs of the FY 2014-15. The decrease of 66.70 % is mainly due to increase in borrowings attributed to purchase of Assets.

#### Depreciation and Amortization Expense:

Depreciation for the FY 2015-16 stood at Rs. 34.91 lacs calculated at WDV method as per companies Act. For the FY 2014-15 the same was Rs. 43.31 lacs. The decrease by 19.40% is mainly due to depreciation rate change on Fixed Assets.

**Other Expenses:**

Other expenses include administrative, selling & distribution expenses etc. Our Company has incurred Rs. 1574.36 lacs during the FY 2015-16 as compared to Rs. 1099.86 lacs during FY 2014-15. The increase in expenses of 43.14% is majorly due to increase in expenses of other activities of work.

**Profit before Tax**

The Profit before tax for the FY 2015-16 increased to Rs. 343.35 lacs from Loss of Rs. 9.06 lacs in FY 2014-15. The increase is due to higher sales and booking.

**Profit after Tax**

The Profit after Tax for the FY 2015-16 stood at Rs. 227.54 lacs as against Loss of Rs. 7.80 lacs for the FY 2014-15.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2015 WITH FISCAL 2014****Total Income:**

During the F.Y. 2014-15 the Total Income of our company increased to Rs. 143.66 lacs as against Rs. 94.86 lacs for the F.Y. 2013-14, representing an increase of 51.44%. This increase is majorly due to a slightly higher scale of operation in the financial year 2014-15.

**Total Expenses:**

The Total Expenditure for the F.Y. 2014-15 increased to Rs. 152.72 lacs from Rs. 71.87 lacs during the F.Y. 2013-14. The increase of 112.49% is in line with the increase in income during the FY 2014-15. This increase is due to increase in the production activity and other expenses to sustain the increase turnover.

**Purchase of Stock:**

Our Company has incurred Rs. 790.24 lacs as Purchase Expenses during the F.Y. 2014-15 as against Rs. 1746.74 lacs during the FY 2013-14. The decrease of 54.76% is mainly due to slow processing of work.

**Employee Benefits Expenses:**

The employee benefit expense comprises of salaries, allowances, contribution to, staff welfare expenses and other benefits to the employees. Our Company has incurred Rs. 177.88 lacs as employee benefit expenses during the FY 2014-15 as compared to Rs. 154.30 lacs during the FY 2013-14. The increase of 15.28% as compared to previous year is due to increase in number of employees and increase in salaries.

**Finance Costs:**

Finance cost for the FY 2014-15 increased to Rs. 11.32 lacs as against Rs. 3.5 lacs of the FY 2013-14. The increase of 223.43 % is mainly due to increase in borrowings attributed to purchase of Assets.

**Depreciation and Amortization Expense:**

Depreciation for the FY 2014-15 stood at Rs. 43.31 lacs calculated at WDV method as per companies Act. For the FY 2013-14 the same was Rs. 26.33 lacs. The increase by 64.49% is mainly due to increase in fixed assets.

**Other Expenses:**

Other expenses include administrative, selling & distribution expenses etc. Our Company has incurred Rs. 1099.86 lacs during the FY 2014-15 as compared to Rs. 1416.83 lacs during FY 2013-14. The decrease in expenses of 22.37% due to slow processing of other activities of work.

**Profit before Tax**

The Profit before tax for the FY 2014-15 decreased to Rs. (9.06) lacs from Rs. 22.39 lacs in FY 2013-14. The decrease is due to higher expenses compared to sales and booking.

**Profit after Tax**

The Profit after Tax for the FY 2014-15 stood at Rs.(7.80) lacs as against Rs. 15.44 lacs for the FY 2013-14.

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2014 WITH FISCAL 2013****Total Income:**

During the F.Y. 2013-14 the Total Income of our company decreased to Rs. 94.86 lacs as against Rs. 169.71lacs for the F.Y 2012-13, representing an decrease of 44.10%.This decrease is majorly due to a less operational activities in the financial year 2013-14.

**Total Expenses:**

The Total Expenditure for the F.Y. 2013-14 decreased to Rs. 71.87 lacs from Rs. 158.64 lacs during the F.Y. 2012-13. The decrease of 54.70% is in line with the decrease in income during the FY 2013-14. This decrease is due to increase in the production activity and other expenses to sustain the increase turnover.

**Purchase of Stock:**

Our Company has incurred Rs. 1746.74 lacs as Purchase Expenses during the F.Y. 2013-14 as against Rs. 0.001 lacs during the FY 2012-13. The increase is very high due to high cost of purchase and starting of all the construction activities and due increase in purchases of material.

**Employee Benefits Expenses:**

The employee benefit expense comprises of salaries, allowances, contribution to, staff welfare expenses and other benefits to the employees. Our Company has incurred Rs. 154.30 lacs as employee benefit expenses during the FY 2013-14 as compared to Rs. 143.15 lacs during the FY 2012-13. The increase of 7.79% as compared to previous year is due to increase in number of employees and increase in salaries.

**Finance Costs:**

Finance cost for the FY 2013-14 decreased to Rs. 3.50 lacs as against Rs. 8.79 lacs of the FY 2012-13. The decrease of 60.18 % is mainly due to decrease in borrowings and due to increase in booking amount.

**Depreciation and Amortization Expense:**

Depreciation for the FY 2013-14 stood at Rs. 26.33 lacs calculated at WDV method as per companies Act. For the FY 2012-13 the same was Rs. 21.06 lacs. The increase by 25.02% is mainly due to increase in fixed assets.

**Other Expenses:**

Other expenses include administrative, selling & distribution expenses etc. Our Company has incurred Rs. 1416.83 lacs during the FY 2013-14 as compared to Rs. 1346.71 lacs during FY 2012-13. The increase in expenses of 5.21% due to processing of other activities of work.

**Profit before Tax**

The Profit before tax for the FY 2013-14 increased to Rs. 22.99 lacs from Rs. 11.06 lacs in FY 2012-13. The increase is due to increase in sales and booking.

**Profit after Tax**

The Profit after Tax for the FY 2013-14 stood at Rs. 15.44 lacs as against Rs. 7.68 lacs for the FY 2012-13.

**INFORMATION REQUIRED AS PER ITEM (2) (IX) (E) (5) OF PART A OF SCHEDULE VIII TO THE SEBI REGULATIONS:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

- ***Unusual or infrequent events or transactions***

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

- ***Significant economic changes that materially affected or are likely to affect income from continuing operations***

Other than as described in the Section titled “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on pages 116 and 137 respectively of this Prospectus respectively, to our knowledge there are no Significant economic changes that materially affected or are likely to affect income from continuing Operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

- ***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the Risks disclosed under the section titled “Risk Factors” no known trends or uncertainties are envisaged or are expected to have a material adverse impact on sales, revenue or income from continuing operations to Company’s knowledge.

- ***Future changes in relationship between costs and revenues in case of events such as future increase in labor or material cost or prices that will cause material change.***

Other than as described in the chapter titled “Risk Factors” beginning on page 11 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

- ***The extent to which material increases in net sales / revenue is due to increase in sales volume, introduction of new products or services or increased sales prices***

The increase in revenues is by and large linked to increases in volume of all the activities carried out by the Company.

- ***Total turnover of each major industry segment in which the Company operates***

The Company operates in single segment in context of accounting standards 17 on Segment Reporting issued by ICAI i.e. Construction and real estate Industry.

- ***Status of any publicly announced New Products or Business Segment***

Please see the chapter titled “Business Overview” beginning on page 71 of this Prospectus.

- ***The extent to which our Company’s business is seasonal***

Our Company’s business is not seasonal in nature.

- ***Competitive conditions***

Despite the fact that we are not affected by competition in the short-term, our results of operations could be affected by competition in the Construction and real estate industry in India. We expect competition to intensify due to possible changes in government policy, existing competitors further expanding their

operations and our entry into new markets where we may compete with well-established companies. This we believe may impact our financial condition and operations.

- ***Any significant dependence on a single or few suppliers or customers***

We are a construction company offering spaces to individual clients / customers and hence our clients/customers are non repetitive in nature. We are not dependent on a single or few suppliers.

- ***Related Party Transactions***

For details on related party transactions, please refer to the statement of related party transactions contained in Annexure XXI to our restated financial information beginning on page 134 of this Prospectus.

- ***Details of material developments after the date of last balance sheet i.e. March 31, 2016***

Except as mentioned below, no circumstances have arisen since the date of last financial statement until the date of filing this Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company:-

i. Term loan of Rs. 5,00,00,000 (Rupees Five crores only) sanctioned from Globe Fincap Ltd. ("Lender") to our Company on the following terms and conditions:-

- ***Security:*** Registered Mortgage(simple) of unencumbered Land plus any additional security as acceptable to the lender
- ***Tenure of facility:*** one year from the first disbursement date
- ***Rate of Interest:*** 21% p.a. charged & payable on calendar monthly basis on daily outstanding basis. Late payment charged at the rate 6% p.a. to be charged extra for the first three months and at the rate 9% p.a. thereafter.
- ***Default:*** In case of default the lender has the right to liquidate the security of the borrower/guarantor in any manner as it deems fit to secure its amount without any obligation for prior intimation to the borrower/guarantor about such liquidation.
- ***Guarantor:*** Mr. Vinodkumar Thaker and Mr. Amitava Samata

For further reference please refer to the chapter titled "Financial Indebtdness" on page 136 of this Prospectus.



## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated herein, there are no outstanding or pending litigation, suits, civil prosecution, criminal proceedings or tax liabilities against our Company, our Directors, our Promoters and Promoter Group and there are no defaults, non-payment of statutory dues, over dues to banks and financial institutions, defaults against bank and financial institutions and there are no outstanding debentures, bonds, fixed deposits or preference shares issued by our Company; no default in creation of full security as per the terms of the issue, no proceedings initiated for economic or other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part I of Schedule XIII of the Companies Act, 1956), and no disciplinary action has been taken by SEBI or any stock exchanges against our Promoters, our Directors or Promoter Group Companies.*

***The Company has a policy for identification of Material' Outstanding Dues to Creditors in terms of the SEBI(ICDR) Regulations,2009 as amended for creditors where outstanding due to any one of them exceeds 5% of consolidated trade payables as per the last consolidated audited financial statements of the Issuer.***

***Further in terms of the SEBI (ICDR) Regulations,2009 as amended the Company has a policy for providing consolidated information for outstanding dues to small scale undertakings and micro, small and medium enterprise giving details of number of cases and amount involved.***

***The Company has a policy for identification of Material' Litigation in terms of the SEBI (ICDR) Regulations,2009 as amended for disclosure of all pending litigation involving the Issuer, its directors, promoters, group companies and subsidiaries, other than criminal proceedings, statutory or regulatory actions and taxation matters where the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 5% of the net profits after tax of the Company for the most recent audited fiscal period whichever is higher and such pending cases are material from the perspective of the Issuer's business, operations, prospects or reputation.***

***The Company has a policy for identification of Material' Related Party Transactions in terms of the SEBI (ICDR) Regulations, 2009 as amended for transactions with a related party where the transaction/transactions to be entered into individually or taken together with the previous transactions during the financial year exceed 10 percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.***

#### **I. LITIGATIONS INVOLVING OUR COMPANY**

##### **a. Litigations against our Company**

**1. Civil Suit: Nil**

**2. Labours matters: Nil**

**3. Custom: Nil**

**4. Criminal: Nil**

**5. Income Tax**

- a. The company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/AHD/250/2015-16 against the assessment order dated 17-02-2015 in respect of A Y 2010-11 assessed under section 143(3) read with section 144 and section 153 of Income tax Act 1956, and the same is pending disposal.
- b. The company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/AHD/251/2015-16 against the assessment order dated 17-02-2015 in respect of A Y 2011-12 assessed under section 143(3) read with section 144 and section 153 of Income tax Act 1956, and the same is pending disposal.

- c. The company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/AHD/252/2015-16 against the assessment order dated 17-02-2015 in respect of A Y 2012-13 assessed under section 143(3) read with section 144 and section 153 of Income tax Act 1956, and the same is pending disposal.
- d. The company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/AHD/253/2015-16 against the assessment order dated 17-02-2015 in respect of A Y 2013-14 assessed under section 143(3) read with section 144 and section 153 of Income tax Act 1956, and the same is pending disposal.

Assistant Commissioner –Income Tax has also provisionally attached immovable property of the company under section 281B of Income tax Act 1956.

The company has also prayed to the CIT (A) the company intends to submit further document as additional evidence in support of the case, and the said prayer for adducing additional evidence was not allowed.

The Total outstanding amount is involved with our company is Rs. 4337.22 Lacs.

**b. Litigations by our Company**

1. Civil Suit: Nil
2. Labours matters: Nil
3. Custom: Nil
4. Criminal: Nil

**II. LITIGATION INVOLVING OUR PROMOTER GROUP COMPANIES**

**a. Litigations against our Promoter Group Companies**

1. Civil Suit: Nil
2. Labours matters: Nil
3. Custom: Nil
4. Criminal: Nil

**b. Litigations by Our Promoter Group Companies**

**NIL**

**III. LITIGATIONS INVOLVING OUR PROMOTERS**

**a. Litigations against our Promoters**

**1. Income Tax**

- a. Mr. Vinodkumar M Thaker one of the promoter Director of the company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/Ahd/RR/VMt/2015- 16 against the assessment order dated 17/02/2015 in respect of A Y 2010-11 assessed under section 143(3) read with section 144 and section 153A of Income tax Act 1956, and the same is pending disposal.
- b. Mr. Vinodkumar M Thaker one of the promoter Director of the Company, has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/Ahd/RR/VMt/2015- 16 against the assessment order dated 17/02/2015 in respect of A Y 2011-12 assessed under section 143(3) read with section 144 and section 153A of Income tax Act 1956, and the same is pending disposal.

- c. Mr. Vinodkumar M Thaker one of the promoter Director of the Company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/Ahd/RR/VMT/2015- 16 against the assessment order dated 17/02/2015 in respect of A Y 2012-13 assessed under section 143(3) read with section 144 and section 153A of Income tax Act 1956, and the same is pending disposal.
- d. Mr. Vinodkumar M Thaker one of the promoter Director of the Company has preferred an appeal before CIT (A) being Appeal no. CIT (A)-13/Ahd/RR/VMT/2015- 16 against the assessment order dated 17/02/2015 in respect of A Y 2013-14 assessed under section 143(3) read with section 144 and section 153A of Income tax Act 1956, and the same is pending disposal.

The total outstanding amount is involved with our Promoter Director is Rs. 2583.40 Lacs.

**b. Litigations by our Promoters**

NIL

**IV. LITIGATION INVOLVING OUR DIRECTORS (OTHER THAN PROMOTERS)**

**a. Litigations against our Directors**

NIL

**b. Litigations by our Directors (Other than Promoters)**

NIL

**PENALTIES LEVIED UPON OUR COMPANY / PROMOTER / PROMOTER GROUP COMPANIES IN THE PAST FIVE YEARS**

NIL

**AMOUNTS DUE TO SMALL SCALE UNDERTAKINGS**

The Company has not received any memorandum (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31.08.2016 as Micro, Small or Medium Enterprises. Consequently the amount paid / payable to these parties during the year is NIL. Further, there is no small scale undertaking or any other creditor to whom the Company owes a sum exceeding Rs. 1 lakh which is outstanding for more than thirty (30) days.

**MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled “Management’s Discussion & Analysis of Financial Conditions & Results of Operations” beginning on page 137 there have been no material developments that have occurred after the Last Balance Sheet Date.

**ADVERSE EVENTS**

There has been no adverse event affecting the operations of our Company occurring within one year prior to the date of filing Prospectus with the Registrar of Companies.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/certification bodies required for its business and no other material approvals are required by us for carrying on its present business activities. It must, however, be distinctly understood that in granting the above approvals, the Government and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed.*

*In view of the approvals listed below, the Company can undertake its current business activities and no further material approvals from any statutory authority are required to continue those activities. The following statement sets out the details of licenses, permissions and approvals taken by the Company under various Central and State Laws for carrying out its business.*

### **Approvals for the Issue**

The Board of Directors have, pursuant to Section 62(1) (c) of the Companies Act 2013, by a resolution passed at its meeting held on June 20, 2016 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.

The shareholders of our Company have, pursuant Section 62(1) (c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on July 15, 2016 authorized the Issue.

Approval letter dated September 22, 2016 from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.

Our Company's International Securities Identification Number ("ISIN") is INE373V01019

### **Approvals pertaining to Incorporation, name and constitution of our Company**

Certificate of Incorporation dated September 29, 2009 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli ("RoC") in the name of "India Green Reality Private Limited".

A fresh Certificate of Incorporation consequent upon change of name from "India Green Reality Private Limited" to "India Green Reality Limited" was issued on February 24, 2016 by the Registrar of Companies, Ahmedabad, Gujarat.

The Corporate Identity Number (CIN) of the Company is U70101GJ2009PLC058214.

### **Business Approvals**

The following statement sets out the details of licenses, permissions and approvals taken by the Company under various Central and State Laws for carrying out its business:-

<b>Sr. No</b>	<b>Particulars</b>	<b>Granting Authorities</b>	<b>Registration/Approval/Code No./ Artistic Work No.</b>	<b>Period of Validity if specified</b>
1.	Certificate of Incorporation	Assistant Registrar of Companies – Gujarat	U70101GJ2009PTC058214	Valid until cancelled
2.	Fresh Certificate of Incorporation	Assistant Registrar of Companies – Gujarat	U70101GJ2009PLC058214	Valid until cancelled
3.	Permanent Account Number	Income Tax Department, Government of India	AACCI1495A	Valid until cancellation
4.	Tax Deduction Account Number (TAN)	Income Tax Department, Government of India	AHMI01351A	Valid until cancellation
5.	Service Tax Code	Office of Commissioner Central Excise	AACCI1495ASD001	Till the business is discontinued
6.	Professional Tax	Assistant Manager,	PEC016492108	Valid until

Sr. No	Particulars	Granting Authorities	Registration/Approval/Code No./ Artistic Work No.	Period of Validity specified if
	Registration Certificate	Professional Tax Officer, New West Zone, Gujarat		cancelled
7.	Professional Tax Registration Certificate	Profession Tax Officer, West Bengal Central Unit	RWC0092606	Valid until cancelled
8.	Employees' Provident Fund registration under Employees Provident Funds & Miscellaneous Provisions Act, 1952	Regional Provident Fund Commissioner West Bengal- Kolkata	WBCAL1021400000	Valid until cancelled
9.	Employees' Provident Fund registration under Employees Provident Funds & Miscellaneous Provisions Act, 1952.	Regional Provident Fund Commissioner Gujarat	GJAH0059086000	Valid until cancelled
10.	Registration under Employees' State Insurance Corporation under Employees' State Insurance Act, 1948.	Employees' State Insurance Corporation	41000573440001099	Valid until cancelled
13.	Shops and Establishment	Amdavad Municipal Corporation	PII / JOD / 32 / 0000089	Valid till 2017
14.	Certificate of Enlistment	Kolkata Municipal Corporation	006776110674	Valid till 2017

## PROJECT RELATED APPROVALS

(1) The Company has obtained or yet to obtain the following approvals for the purposes of its ongoing projects:


Sr. No.	Name of the Project	Property Description	Licenses and Approvals Obtained/Yet to Obtain	Date of Expiry
1.	Nalsarovar, Dist. Sanand, Gujarat	Survey/Block no:-481 and 486- Development of land	Permission to develop the land and construct the residential bungalows issued by Zamp Gram Panchayat	-
2.	Sonarpur – Dist. South 24 Pargana, West Bengal	Royapur Mouja, JL No.103 under Kalikapur 2 No. Gram Panchayat of Sonarpur bearing RS Dag no. 1536, 1537, 1546, 1559, 1584, 1569, 1699, 1568, 1527, 1538, 1584 and LR Dag No. 1556, 1557, 1566, 1579, 6160, 1589, 1730, 1588, 1547, 1558, 1872	Permission to construct the residential bungalows issued by Kalikapur II Grampanchayat, Sonarpur	-
		Royapur Mouja, JL No.103 under Kalikapur 2 No. Gram Panchayat of Sonarpur bearing RS Dag no. 1505, 1507, 1532, 1535, 1560, 1562, 1569, 1583, 1681, 1682, 1684, 1685, 1690, 1694, 1697, 1700, 1871, 1827, 1829, 1835 and LR Dag No. 1525, 1527, 1552, 1555, 1580, 1582, 1589, 1603, 1712, 1713, 1715, 1716, 1721, 1725, 1728, 1731, 1822, 1872, 1874, 1880	Permission to construct the residential bungalows issued by Kalikapur II Grampanchayat, Sonarpur and Fire and safety approval granted by Director General of West Bengal in accordance with provision of west Bengal Fire Services Act, 1950 vide memo no. WBFES/2148/13 dated June 11, 2013	-
3	Sobuj Potro, Shantiniketan, Dist:- Birbhum, West Bengal	Plot no:- 162, LR Khaitan no:-554, Mauza:-Khanjanpur, Bolpur	Permission to construct the residential bungalows issued by Collector, Sub-Divisional Land	-

			& Land Reform Officer, Bolpur, Birbhum	
		Plot no:- 171, LR Khaitan no:-553, Mauza:- Khanjanpur, Dist:- Bolpur	Permission to construct the residential bungalows issued by Collector, Sub-Divisional Land & Land Reform Officer, Bolpur, Birbhum	-
4	Sasan Gir County, Nr. Sasan Sinh Sadan, Opp. Hotel Amidhara, Dist:- Junagadh, Gujarat.	Survey/Block no:-10/1 and 10/2 – Non- Agriculture land	Approval for conversion of land from Agricultural to Non Agricultural is taken	-
5	Dhari, Mauza:- Manavav, Dist:- Amreli, Gujarat.	Survey/Block no:-318/13 and 318/26 – Agriculture land	Approval for conversion of land from Agricultural to Non Agricultural is yet to be taken	-
6	Jaisalmer, Kanoi, Dist:- Jaisalmer, Rajasthan.	Survey/Block no:- 621 and 550 – Agriculture land	Approval for conversion of land from Agricultural to Non Agricultural is yet to be taken	-
7	Green Cove- Malancha – Dist – North 24-Pargana, West Bengal	RS Dag no. 1037 and LR Dag No. 1037	All Approvals are pending	-

#### APPROVALS RELATING TO INTELLECTUAL PROPERTY

##### Registered Trade mark under Trade Marks Act, 1999

##### TRADEMARKS

Sr. No.	Particulars of the mark	Word / Label mark	Applicant	Trademark / Application Number	Date of Filing	Class	Status
1.		Mark	India Green Reality Pvt. Ltd.	2257684	28-12-11	36	Registered

##### *Approvals required to be obtained by the Company, but not applied for:*

- Fire Safety Certificate by Director-General in accordance with the provisions of the West Bengal Fire Services Act, 1950
- Environmental Clearance/ No Objection Certificate from the West Bengal Pollution Control Board
- Environmental Clearance/ No Objection Certificate from the Gujarat Pollution Control Board
- Environmental Clearance/ No Objection Certificate from the Rajasthan Pollution Control Board
- Certificate of Registration under the West Bengal Shops and Establishments Act, 1996, in respect of the Company's Kolkata Branch offices situated at BA 29/30, Rajdanga Main Road , Near Gitanjali Stadium, Kolkata – 700107, West Bengal , India and 86A, Topsia Road , Room no. 105 (1st Floor), Kolkata – 700046, West Bengal , India
- Certificate of Registration under the Bombay Shops & Establishment Act, 1948, in respect of the Company's Ahmedabad Corporate office situated at 308, 3<sup>rd</sup> Floor, Iskon Mall, Star India Bazar building, Satellite Road. Ahmedabad – 380015, Gujarat, India. Registration under The Real Estate (Regulation and Development) Act, 2016

## **SECTION VII- OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

Our Board of Directors have, pursuant to Section 62(1) (c) of the Companies Act 2013, by a resolution passed at its meeting held on June 20, 2016, authorized the Issue.

The Shareholders of India Green Reality Limited approved the present Issue by a special resolution in accordance with Section 62(1) (c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on July 15, 2016.

We have received approval from BSE vide letter dated September 22, 2016 to use the name of BSE in this offer document for listing of our Equity Shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

### **Prohibition by SEBI**

We confirm that our Company, its Promoters, its Directors or any of the Company's Associates or Group Companies and companies with which the Directors of the Company are associated as Directors or Promoters, or Directors or Promoters in control of, of the promoting Company, are currently not prohibited from accessing or operating in the capital market under any order or direction passed by SEBI.

Our Company, our Promoters, our Promoter Group, our Directors have not been debarred from accessing or operating in the capital market by the Board (SEBI) or any other regulatory or governmental authority. The listing of any securities of our Company has never been refused by any of the stock exchanges in India.

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors.

### **Prohibition by RBI**

Neither our Company, our Promoters, our Promoter Group, our Group Companies, relatives of our Promoters (as defined under the Companies Act, 2013), our Directors and companies with which our Directors are associated as directors or promoters have not been declared as willful defaulters by RBI / government authorities and there are no violations of securities laws committed by them in the past and no proceedings are pending against them.

### **Association with Securities Market**

We confirm that none of our Directors are associated with the Securities Market in any manner except for trading on day to day basis for the purpose of investment.

Our Company, our Promoters, Promoting Companies, their relatives, Group Concerns and Associate Companies have not been declared as willful defaulters by the RBI or any other government authorities.

### **Eligibility for the Issue**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Offer" in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital exceed ten crores rupees but do not exceed twenty five crores shall issue its specified securities in accordance with provisions of chapter XB [Issue of specified securities by small and medium enterprises] of ICDR regulations. (In this case being the "SME Platform of BSE").

We confirm that:

a) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the Total Issue Size. For further details pertaining to said underwriting, please refer to "General Information – Underwriting" on page 37 of this Prospectus.



b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.

c) In accordance with Regulation 106(O) of the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of this Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing this Prospectus with Stock Exchange and the Registrar of Companies.

d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue.

For further details of the arrangement of market making please refer to “General Information – Details of the Market Making Arrangements for this Issue” on page 37 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform BSE circular dated April 01, 2015, which states as follows:

**BSE ELIGIBILITY NORMS:** (<http://www.bsesme.com/static/getlisted/criteriaisting.aspx?expandable=0>)

1. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
2. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
3. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore.
4. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended March 31, 2016, 2015 and 2014 is as set forth below:-

(Rs. In lakhs)

Particulars	For the period ended March 31, 2016	For the period ended March 31, 2015	For the period ended March 31, 2014
Distributable Profits*	227.54	(7.80)	15.44
Net Tangible Assets**	1376.84	11463.43	8386.99
Net Worth***	564.33	336.79	205.59

\* “Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\* ‘Net tangible assets’ are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding deferred tax asset and intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

\*\*\* “Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding revaluation reserve and after deducting miscellaneous expenditure, if any.

5. The Post-issue paid up capital of the Company shall be at least Rs. 3 Crore. The post-issue paid - up capital of the Company shall be Rs. 12.71 crore.

## 6. Other Requirements

- i. *The post-issue paid up capital of the company shall be at least Rs. 3 crore.*

As on the date of this Prospectus i.e. September 23, 2016, the Post Issue Capital of our Company shall be Rs. 12.71 Crores which is in excess of Rs. 3 Crore.

- ii. *The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.*

Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.

- iii. *Companies shall mandatorily have a website.*

Our Company has a live and operational website: [www.indiagreenreality.com](http://www.indiagreenreality.com)

## 7. Certificate from the applicant company / promoting companies stating the following:

- a. *The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).*

Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- b. *There is no winding up petition against the company that has been accepted by a court.*

There is no winding up petition against our Company that has been accepted by a court or liquidator has been appointed.

- c. *There is no change in the promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.*

There is no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

## Disclosure

Neither the Company nor its Promoters, Group Companies, Relatives (as defined under Companies Act, 2013) of Promoters and Group Companies have been identified as willful defaulters by the Reserve Bank of India or any other Authority.

## Disclaimer Clause of SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (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 THIS PROSPECTUS, THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GUINNESS CORPORATE ADVISORS**

**PRIVATE LIMITED HAS FURNISHED, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 23, 2016 WHICH READS AS FOLLOWS:**

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER,**

**WE CONFIRM THAT:**

- (A) THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- (C) THE DISCLOSURES MADE IN THE 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, THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED), THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**
- 7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION**

**SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. - NOT APPLICABLE**

- 8) **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9) **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE**
- 10) **WE CERTIFY ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**
- 11) **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12) **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
  - (A) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
  - (B) **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13) **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**
- 14) **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**
- 15) **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

- 16) WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS, AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR.
- 17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 (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 THE OFFER DOCUMENT.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.-NOTED
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS. – **NOT APPLICABLE**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

*Note: The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and 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 LM any irregularities or lapses in the Prospectus.*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad in terms of Section 26 and 30 of the Companies Act, 2013.*

**Statement on Price Information of Past Issues handled by Guinness Corporate Advisors Private Limited:**

Sr. No.	Issuer Name	Issue size (Rs. in cr.)	Issue price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Oasis Tradelink Limited	6.00	30	14.07.14	35.90	-3.00% [+3.49%]	12.50% [+5.51%]	14.17% [+9.80%]
2	Encash Entertainment Limited	4.39	40	29.09.14	44.00	25.00% [+1.07%]	177.63% [+3.00%]	17.50% [+3.24%]
3	Naysaa Securities Limited	1.5	15	25.09.14	14.25	0.00% [+1.08%]	0.00% [+3.92%]	-13.33% [+6.51%]
4	VMV Holidays Limited	1.56	10	14.07.15	10.25	2.50% [-1.51%]	-8.50% [-3.68%]	-8.50% [-1.13%]
5	Gala Print City Limited	3.04	24	16.07.15	24.45	2.50% [-1.33%]	0.00% [-5.62%]	-2.92% [-2.73%]
6	P. B. Films Limited	5.00	10	22.09.15	9.50	-12.00% [+6.38%]	-20.00% [+0.33%]	-50.00% [-1.43%]
7	Nintec Systems Limited	1.88	10	18.04.16	11.70	15.00% [-0.43%]	41.50% [+7.48%]	NA
8	Shanti Educational Initiatives Ltd.	39.60	90	14.06.16	90.00	3.33% [+5.86%]	5.56% [+7.42%]	NA
9	Kwality Pharmaceuticals Limited	6.21	45	18.07.16	45.00	0.11% [+1.15%]	NA	NA
10	Riddhi Steel and Tube Limited	8.89	38	14.09.16	37.70	NA	NA	NA

Note: The 30th, 90th, and 180th calendar days has been taken as listing date plus 29, 89, 179 calendar days respectively. Where the 30th day / 90th day / 180th day of a particular year falls on a BSE trading holiday, the immediately following trading day has been considered. Where the 30th day / 90th day / 180th of a particular year falls on the day when there is no trade in equity share of the Company, preceding trading day has been considered. BSE SENSEX has been considered as the benchmark index. We have taken the Issue price to calculate the % change in closing price as on 30th, 90th and 180th day.

**Summary Statement on Price Information of Past Issues handled by Guinness Corporate Advisors Private Limited:**

Financial Year	Total no. of IPOs	Total Funds raised (Rs. in cr.)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Ove r	Bet ween	Les s tha n	Ove r	Bet ween	Les s tha n	Ove r	Bet ween	Less than 25%	Ove r	Bet ween	Les s tha n
			50 %	25-50 %	n 25 %	50 %	25-50 %	n 25 %	50 %	25-50 %		50 %	25-50 %	n 25 %
April 1, 2016 - date of filing	4	56.58	NA	NA	NA	NA	NA	3	NA	NA	NA	NA	NA	NA



this Prospectus														
2015-16	3	9.60	N A	NA	1	N A	NA	2	N A	NA	2	N A	NA	NA
2014-15	4	28.20	N A	NA	2	N A	1	1	N A	1	1	N A	NA	2

#### **Track records of past issues handled by the Guinness Corporate Advisors Private Limited**

For details regarding the track record of the Guinness Corporate Advisors Private Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of Guinness Corporate Advisors Private Limited at [www.guinnessonline.net](http://www.guinnessonline.net)

#### **Disclaimer Clause of BSE**

BSE Limited ("BSE") has given vide its letter dated September 22, 2016 permission to this Company to use its name in this offer document as the stock exchange on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter for granting the aforesaid permission to this company. BSE does not in any manner:-

- Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- Warrant that this company's securities will be listed or will continue to be listed on BSE; or
- 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 should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **Disclaimer from our Company, Directors and the Lead Manager**

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information including our website [www.indiagreenreality.com](http://www.indiagreenreality.com) would be doing so at his or her own risk.

***For details regarding the track record of the Lead Manager to the Issue, please refer to the website of the Lead Manager.***

#### **CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated August 25, 2016, the Underwriting Agreement August 25, 2016 entered into among the Underwriter and our Company and the Market Making Agreement dated August 25, 2016 entered into among the Lead Manager, Market Maker and our Company.

All information shall be made available by us and the Lead Manager 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 or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in future engage, in investment banking transactions with our Company, affiliates or associates or third parties, for which they have received, and may in future receive, compensation. Guinness Corporate Advisors Private Limited is not a associate of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.



**Note:**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters 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 of our Company.

**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 majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under the 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, state industrial development corporations, Venture Capital Funds (VCFs) registered with SEBI, Insurance Companies registered with Insurance and Regulatory Development Authority, Provident Funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lacs and pension funds with minimum corpus of Rs. 2,500 Lacs, and to permitted non residents including FIIs, eligible NRIs, multilateral and bilateral development financial institutions, foreign venture capital investors registered with SEBI and eligible foreign investors provided they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Prospectus does not, however, constitute an offer to sell an invitation to subscribe to or purchase Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby 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 any 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.

**Disclaimer Clause under Rule 144A of The U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "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 of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Filing**

This Prospectus is being filed with BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001.

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M) (3) of SEBI (ICDR) Regulations. However, a copy of this Prospectus shall be filed with SEBI at Western Regional Office, Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station Opp. Nehru , Bridge Ashram Road, Ahmedabad - 380 009. A copy of this Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013, will be delivered to the RoC situated at Roc Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India

### **Listing**

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, application shall be made to BSE for obtaining permission for listing of the Equity Shares being offered and sold in the SME Platform of BSE after allotment in the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days of the Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from applicant within the timelines prescribed under applicable laws, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

The Company has obtained approval from BSE vide letter dated September 22, 2016 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

### **Consents**

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor, Peer Review Auditor; the Banker(s) to the Company; and (b) the Lead Manager, Underwriter, Market Maker, Banker to the Issue, 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 this Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/S Dhaval Padiya and Co, Chartered Accountants, have agreed to include their report on statement of funds deployed as on August 27, 2016, as applicable. M/s A D V & Associates, Peer Review Auditors have agreed to provide their written consent to the include their report dated August 30, 2016 on restated financial statements and the Statement of Tax Benefits dated August 30, 2016 relating to the possible tax benefits, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

### **Expert Opinion**

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

- The report of the Peer Reviewed Auditor on the Restated Financial Statements and on the Statement of Tax Benefits.

### **Issue Related Expenses**

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Brokerage, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee, and Listing Fee etc. The total expenses for this Issue are estimated to be approximately Rs. 41.00 Lakhs which is 3.95% of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

(Rs. in Lacs)

Activity	Expenses (Rs. in lakhs)	Percentage of Issue Expenses	Percentage of the Issue Size
Issue Management fees including fees and reimbursements of underwriting fees, brokerages, and payment to other intermediaries such as legal advisor, peer review auditor, registrars and other out of pocket expenses etc. *	35.00	85.37%	3.37%
Other Expenses inclusive of Printing, Stationery, postage expenses, Advertising expenses etc.	3.50	8.54%	0.34%
Regulatory fees and expenses	2.50	6.10%	0.24%
<b>Total estimated issue expenses</b>	<b>41.00</b>	<b>100.00%</b>	<b>3.95%</b>

\*As on date of this Prospectus, Company has incurred Rs. 3.00 Lakhs towards Issue Expenses.

#### **Fees Payable to Lead Manager to the Issue**

The total fees payable to the Lead Manager (including underwriting fees) will be as per the Memorandum of Understanding and Underwriting Agreement among our Company and the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

#### **Fees Payable to the Registrar to the Issue**

The fees payable by the Company to the Registrar to the Issue for processing of application, data entry, printing of CAN, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Memorandum of Understanding signed among our Company and Registrar to the Offer, copy of which is available for inspection at the Registered Office of our Company.

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, Peer Review Auditor and Advertisers, etc. will be as per the terms of their respective engagement letters, if any

#### **Commission and Brokerage Paid on Previous Issues of Our Equity Shares**

Since this is the Initial Public Offer of the 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 the Equity Shares since inception of the Company.

#### **Capital Issue during the Last Three Years**

India Green Reality Limited and its Group Companies have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

#### **Previous Public or Rights Issue**

There have been no public or rights issue by our Company during the last five years.

#### **Previous Issues of Equity Shares Otherwise than for Cash**

Except as stated in the section titled “*Capital Structure*” on page 40 of this Prospectus, we have not made any previous issues of shares for consideration otherwise than for cash.

#### **Promise Vis-À-Vis Performance**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the “SEBI ICDR Regulations. Therefore, data regarding promise versus performance is not applicable to us.

## Outstanding Debentures or Bonds and Redeemable Preference Shares and Other Instruments

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Prospectus.

## Stock Market Data for Our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the “SEBI ICDR Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

## Investor Grievances and Redressal System

The Company has appointed Karvy Computershare Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue, namely, Karvy Computershare Private Limited, will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company.

The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the Applicant. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on June 20, 2016 constituted a Stakeholders Relationship Committee. For further details, please refer to the chapter titled “Our Management” beginning on page 94 of this Prospectus.

The Company assures that the Board of Directors in respect of the complaints, if any, to be received shall adhere to the following schedules:

Sr. No.	Nature of Complaint	Time Table
1.	Non receipt of Demat Credit of Shares	Within 7 days of receipt of complaint subject to production of satisfactory evidence
2.	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details.

Redressal of investors’ grievance is given top priority by the Company. The Committee oversees redressal of complaints of shareholders/investors and other important investor related matters. The Company has adequate arrangements for redressal of investor complaints as follows:

We have appointed Mr. Nirav Shah, as Company Secretary and Compliance Officer and she may be contacted in case of any pre-issue or post-issue related problems. He can be contacted at the following address:

**Mr. Nirav Shah,**  
 Company Secretary & Compliance Officer,  
 308, 3<sup>rd</sup> Floor, Iskon Mall,  
 Star India Bazar building, Satellite Road.  
 Ahmedabad – 380015, Gujarat, India  
 Tel: 91- 79 - 48008787  
 Website: [www.indiagreenreality.com](http://www.indiagreenreality.com)  
 E-Mail: Email: [compliance@indiagreenreality.com](mailto:compliance@indiagreenreality.com)

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

#### **Disposal of Investor Grievances by Listed Companies under the Same Management as the Company**

As on the date of this Prospectus our Company does not have any Listed Group Company.

#### **Capitalization of Reserves or Profits during Last Five (5) Years**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no.40 of this Prospectus, our Company has not capitalised our reserves or profits during the last five years.

#### **Changes in Auditors**

Except as stated below there has been no change in the auditors of our Company for the last three years.

<b>Financial year</b>	<b>Particular of Changes</b>	<b>Reason</b>
2014-15	Nikunj N. Chauhan & Co. resigned and NPK & Associates is appointed during the FY 2014-15	Personal Reasons
2015-16	NPK & Associates resigned and M/S Dhaval Padiya and Co. is appointed during the FY 2015-16	Personal Reasons

#### **Revaluation of Assets during The Last Five (5) Years**

Our Company has not revalued its assets during the last five (5) years.

#### **Servicing Behavior**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

#### **Purchase of Property**

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus. Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

## **SECTION VIII – ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable. Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the application forms.*

#### **Ranking of Equity Shares**

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled “Main Provisions of the Articles of Association of the Company” on page 209 of this Prospectus.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on June 20, 2016 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on July 15, 2016.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association and the provisions of the SEBI Listing Regulations and shall be recommended by the Board of Directors and the shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act 2013.

For further details, please refer to the section titled “Dividend Policy” on page 115 of this Prospectus.

#### **Face Value and Issue Price**

The Equity Shares having a face value of Rs. 10.00/- each are being Issued in terms of this Prospectus at the price of Rs. 30.00/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis of Issue Price” on page 59 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, Listing Regulations and the Memorandum and Articles of Association of the Company.



For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled "Main Provisions of Articles of Association of our company" beginning on page 209 of this Prospectus.

#### **Minimum Application Value; Market Lot and Trading Lot**

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialized form. In terms of existing SEBI ICDR Regulations, trading in the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum lot size of 4,000 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 4,000 Equity Share subject to a minimum allotment of 4,000 Equity Shares to the successful applicants.

#### **Minimum Number of Allottees**

The minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of Issue.

#### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.



## Period of Operation of Subscription List of Public Issue

<b>ISSUE OPENS ON</b>	<b>FRIDAY, SEPTEMBER 30, 2016</b>
<b>ISSUE CLOSES ON</b>	<b>THURSDAY, OCTOBER 06, 2016</b>

### Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

*In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level.*

*In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).*

*Further, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.*

### Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 4,000 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum lot size allowed for trading on the SME platform of BSE.

### Restrictions, If any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting.

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer to the section titled “Main Provisions of the Articles of Association of the company” on Page 209 of this Prospectus.

### Option to receive Equity Shares in Dematerialized Form

As per section 29 of Companies Act 2013, allotment of Equity Shares will be made only in dematerialised form.

### Migration to Main Board

Our Company may migrate to the main board of BSE from SME platform of BSE on a later date subject to the following:

a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board.

OR

b) If the Paid up Capital of the company is more than Rs 10 crores but below Rs 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## Market Making

The shares Issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to “*General Information - Details of the Market Making Arrangement for this Issue*” on page 37 of this Prospectus.

In accordance with the SEBI Circular No.CIR/MRD/DSA/31/2012 dated November 27, 2012; it has decided to make applicable limits on the upper side for the Market Maker during market making process taking into consideration the Issue size in the following manner:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size)	Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size)
Upto Rs. 20 Crore	25%	24%
Rs. 20 Crore to Rs. 50 Crore	20%	19%
Rs. 50 Crore to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

Further, the following shall apply to market makers while managing their inventory during the process of market making:

The exemption from threshold shall not be applicable for the first three months of market making and the market maker shall be required to provide two way quotes during this period irrespective of the level of holding.

Any initial holdings over and above such 5% of issue size would not be counted towards the inventory levels prescribed.

Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. Threshold limit will take into consideration, the inventory level across market makers.

The Market Maker shall give two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.

## New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

## Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ahmedabad, Gujarat, India.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (“**Securities Act**”) or any state securities laws in the United States, and may not be Issued or sold within the United States (**as defined in Regulation S under the Securities Act**), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

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

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, An issuer whose post-issue face value capital is more than ten crores rupees and upto twenty five crores rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an Issue please refer the section titled “Terms of the Issue” and “Issue Procedure” on page 165 and 171 respectively of this Prospectus.

### **Following is the Issue structure:**

Public Issue of 34,60,000 Equity Shares of Rs. 10.00/- each (the “Equity Shares”) for cash at a price of Rs. 30.00/- per Equity Share (including a share premium of Rs. 20.00/- per Equity Share) aggregating to Rs.1038.00 Lacs (“the Issue”) by our Company.

The Issue comprises reservation of 1,80,000 Equity Shares for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of 32,80,000 Equity Shares (“the Net Issue”).

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares available for allocation</b>	32,80,000 Equity Shares	1,80,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.80% of the Issue size	5.20% of the Issue size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of 4000 Equity Shares and further allotment in multiples of 4000 Equity Shares each.  For further details please refer to the section titled “ <i>Issue Procedure – Basis of Allotment</i> ” on page 179 of this Prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process Only	Through ASBA Process Only
<b>Minimum Application Size</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/-  <b>For Retail Individuals:</b> 4000 Equity Shares	1,80,000 Equity Shares
<b>Maximum Application Size</b>	<b>For QIB and NII:</b> Such number of equity shares in multiples of 4000 Equity Shares such that the Application Size does not exceed 32,80,000 Equity Shares.  <b>For Retail Individuals:</b> Such number of Equity Shares in multiples of 4000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.	1,80,000 Equity Shares
<b>Mode of Allotment</b>	Dematerialized Form only	Dematerialized Form only
<b>Trading Lot</b>	4,000 Equity Shares	4,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
<b>Terms of Payment</b>	The entire Application Amount will be payable at the time of submission of the Application Form.	

\*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present Issue is a fixed price Issue ‘the Allocation’ in the net Issue to the public category shall be made as follows:

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

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

#### **Withdrawal of the Issue**

The Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of BSE for listing of Equity Shares Issued through this issue on its SME Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of this Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, 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. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

#### **Issue Programme**

<b>ISSUE OPENS ON</b>	<b>FRIDAY, SEPTEMBER 30, 2016</b>
<b>ISSUE CLOSES ON</b>	<b>THURSDAY, OCTOBER 06, 2016</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchange excluding Sunday and bank holidays as per SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

## **ISSUE PROCEDURE**

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the “General Information Document”) included below under section “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the draft Prospectus and this Prospectus.

### **Part A**

#### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 106 (M) (2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process. Applicants are required to submit their Applications to the Designated Intermediaries. 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.

Investors should note that according to section 29(1) of Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in dematerialized form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, Client ID, and PAN shall be treated as incomplete and liable to be rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic application system of the stock exchanges by the Brokers (including sub-brokers) do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants are required to ensure that the PAN (of the sole/ first Applicant) provided in the Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

#### **Application Form**

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus/ Prospectus. Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Collection Centers and the Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Offer Opening Date.

Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in this Prospectus and the Application Form as would be required for

filing this Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

Also, please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, All Applicants shall mandatorily participate in the Issue only through the ASBA process.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in this Prospectus and the Application as would be required for filing this Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour
Resident Indians and 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

Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015, an investor intending to subscribe to this Issue shall submit a completed application form to any of the following intermediaries (collectively called as "Designated Intermediaries")

Sr. No.	Designated Intermediaries
1.	SCSB with whom the bank account is maintained which is to be blocked
2.	Syndicate Member (including sub syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
4.	A depository participant (DP) (whose name is mentioned on the website of the stock exchange as eligible for this Activity)
5.	A registrar to an Issue and Share transfer agent (RTA)

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, as a proof of having accepted the application form in physical or electronic mode respectively.

#### Processing of Applications by Designated Intermediaries

**Applications submitted to SCSBs:** After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system of the stock exchange and block the necessary funds available in the bank account as specified in the application form.

**Applications submitted to Designated Intermediary other than SCSBs:** After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

#### Who Can Apply?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines;

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;

2. 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;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, Scheduled Commercial Banks, Regional Rural Banks, Co-operative Banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. 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;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
9. FPIs other than Category III foreign portfolio investor;
10. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
11. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
12. Venture Capital Funds registered with SEBI;
13. Foreign Venture Capital Investors registered with SEBI;
14. Eligible QFIs;
15. Multilateral and Bilateral Development Financial Institutions;
16. State Industrial Development Corporations;
17. 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;
18. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
19. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
20. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
21. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
22. 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;
23. Nominated Investor and Market Maker
24. Insurance funds set up and managed by army, navy or air force of the Union of India
25. Any other person eligible to apply in this Issue, under the laws, rules, regulation, guidelines and policies applicable to them and under Indian laws.



As per the existing regulations, OCBs cannot participate in this Issue.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

The information below is given for the benefit of the applicants. Our Company and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company and the Lead Manager is 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 does not exceed the limits prescribed under laws or regulations.

**Availability of Prospectus and Application Forms**

The Memorandum Form 2A containing the salient features of this Prospectus together with the Application Forms and copies of this Prospectus may be obtained from the Registered office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection centers of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. [www.bseindia.com](http://www.bseindia.com)

**Option to subscribe in the Issue**

- a. As per Section 29 of the Companies Act, 2013, allotment of Equity Shares will in dematerialized form only.
- b. The equity shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Participation by Associates of LM**

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, where the allotment is on a proportionate basis.

**Application by Indian Public Including Eligible NRI's 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 (except through their Legal Guardians), 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 HUFs application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Applicants make application on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non- Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants make application on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs Applicants make application on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs Applicants make application on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Application by Mutual Funds**

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 Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

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 FPIS, FIIS AND QFIS**

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, 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 SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FPI after registering as an FPI under the SEBI FPI Regulations. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 6, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Issue in accordance with Schedule 8 of the FEMA Regulations and are required to Apply under the Non-Institutional Applicants category.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. As of now, in accordance with the foreign investment limits applicable to us the total foreign investment including FII investment cannot exceed the sectoral cap applicable to us (being 100% of our total post Issue paid-up capital). Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may Issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

### **Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors**

As per the current regulations, the following restrictions are applicable for SEBI Registered 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. Accordingly, whilst 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 Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public Issue.

### **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, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

- a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets in all companies belonging to the group; and
- c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

### **Application by Provident Funds/ Pension Funds**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

### **Application under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this,

our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a). With respect to applications by 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. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores, 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 printing particulars on the Allotment Advice / CANs / letters and mailing of the same notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.*

*The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

#### **Maximum and Minimum Application Size**

##### **(a) For Retail Individual Applicants**

The Application must be for a minimum of 4,000 Equity Shares and in multiples of 4,000 Equity Share thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

##### **(b) For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB or Non Institution Applicant cannot withdraw or lower its Application at any stage of Issue.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

### **Information for the Applicants:**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in this Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file this Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of this Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain this Prospectus and/ or the Application Form can obtain the same from our Registered Office / Corporate Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be —suspended for creditl and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

### **Method and Process of Applications**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of 3 Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to

another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful 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 Registrar to the Issue.

### **Procedure and Time Schedule for Transfer of Equity Shares**

The Issue will be conducted through the “Fixed Price Method” pursuant to which the Designated Intermediary will accept Applications for the Equity Shares during the Issue Period. The Issue Period will commence on September 30, 2016 and expire on October 06, 2016. Following the expiration of the Issue Period, our Company, in consultation with the Lead Manager, will determine the basis of allotment and entitlement to allotment based on the applications received and subject to the confirmation by the Stock Exchange. Successful Applicants will be provided with a confirmation of their allocation for the Equity Shares within a prescribed time. The SEBI (ICDR) Regulations, 2009 require our Company to complete the allotment to successful Applicants within 4 days of the expiration of the Issue Period. The Equity Shares will then be credited and allotted to the investors’ demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

### **Payment Instructions**

All Applicants are required to use the ASBA facility to make payment.

### **Basis of Allotment**

Allotment will be made in consultation with BSE Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of shares applied for).

2. The number of shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. total number of shares applied for into the inverse of the over subscription ratio).



3. For applications where the proportionate allotment works out to less than 4000 equity shares the allotment will be made as follows:

- a) Each successful applicant shall be allotted 4000 Equity Shares; and
- b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of shares allotted in that category is equal to the number of shares worked out as per (2) above.

4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 4000 equity shares, the number in excess of the multiple of 4000 would be rounded off to the nearest multiple of 4000, subject to minimum allotment of 4000 Equity Share.

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 lower nearest multiple of 4000 equity shares, results in the actual allotment being higher than the shares Issued, 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) A minimum of 50% of the net Issue of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
- b) The balance net Issue of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
- c) The unsubscribed portion of the net Issue to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

**As per the 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, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Terms of Payment / Payment Instructions**

The entire Issue Price of Rs. 30/- per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The applicants should note that the arrangement with



Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

*Please note that pursuant to SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 potential investors shall invest in the public issue through ASBA Mode only.*

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them,
  - (ii) the applications uploaded by them
  - (iii) the applications accepted but not uploaded by them or
  - (iv) With respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts
4. Neither the Lead Managers nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to
  - (i) the applications accepted by any Designated Intermediaries
  - (ii) the applications uploaded by any Designated Intermediaries or
  - (iii) the applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
  - Name of the Applicant;

- IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **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;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID 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 funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the Designated Intermediary;
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and

***Don'ts:***

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by cheques or by demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary.
- Do not submit Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;

**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:

- 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
- 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.
- Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **Grounds for Rejections**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of 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;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- 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;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the bank account;
- Applications by Applicants not submitted through ASBA process;
- 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;

- 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;

**Applicants should note that in case the PAN, the DP id and client id mentioned in the application form and entered into the electronic application system of the stock exchanges by the SCSBs do not match with PAN, the DP id and client id available in the depository database, the application form is liable to be rejected.**

### **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who:**

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or**
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the said Act.”**

### **Signing of Underwriting Agreement**

Vide an Underwriting Agreement dated August 25, 2016 this issue is 100% Underwritten.

### **Filing of the Prospectus with the ROC**

The Company will file a copy of this Prospectus with the RoC in terms of 26 of the Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering this Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price.

### **Issuance of a Confirmation of Allocation Note (“CAN”)**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the Brokers a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

### **Designated Date and Allotment of Equity Shares**

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall

pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to 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 shares to the successful Applicants Depository Account will be completed within six Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the the Issue Close Date.

### **Disposal of Applications and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 3 (three) working days of the Issue Closing Date;
- 2) Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- 3) If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Undertakings by our Company**

The Company undertakes the following:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date;
- 3) That funds required for unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- 4) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought in pro rata basis before the calls are made on public;
- 6) That no further issue of Equity Shares shall be made till the Equity Shares Issued through this Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- 7) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;



## Utilization of Issue Proceeds

The Board of Directors of our Company 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 sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue;
- 5) Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received and
- 6) The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

Our Company declare that all monies received out of the Public Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## Withdrawal of the Issue

Our Company, in consultation with the LM reserves the right not to proceed with the Issue at anytime, including after the Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper. The Stock Exchanges where the Equity Shares are proposed to be listed shall also be informed promptly.

If the Company withdraws the Issue after the Application Closing Date, the Company will be required to file a fresh Issue Document with the Stock Exchange.

## Equity Shares in Dematerialised Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated July 26, 2016 between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated July 26, 2016, between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an ISIN No. INE373V01019

- 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 have electronic connectivity with CDSL and NSDL.
- The 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 cheque or draft number and issuing bank thereof 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.

## Part B GID

### General Information Document for Investing in Public Issues

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956 to the extent applicable, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read this 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 to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and 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 this Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the 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 this Prospectus, the disclosures in this Prospectus shall prevail. This Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations” on page 1 of this Prospectus.

#### SECTION 2: Brief introduction to IPOs on SME Exchange

##### 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 *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) or the Applicable Regulations of Chapter XB of the SEBI ICDR Regulations, 2009, as amended. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to this Prospectus.

##### 2.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013 and the Companies Act, 1956 to the extent applicable (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry- specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Applicants may refer to this Prospectus.

#### **a. Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built 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 Issue Opening Date, in case of an IPO and at least one Working Day before the 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.

Applicants should refer to this Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

#### **2.4 Issue Period**

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

#### **2.5 Migration to Main Board**

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

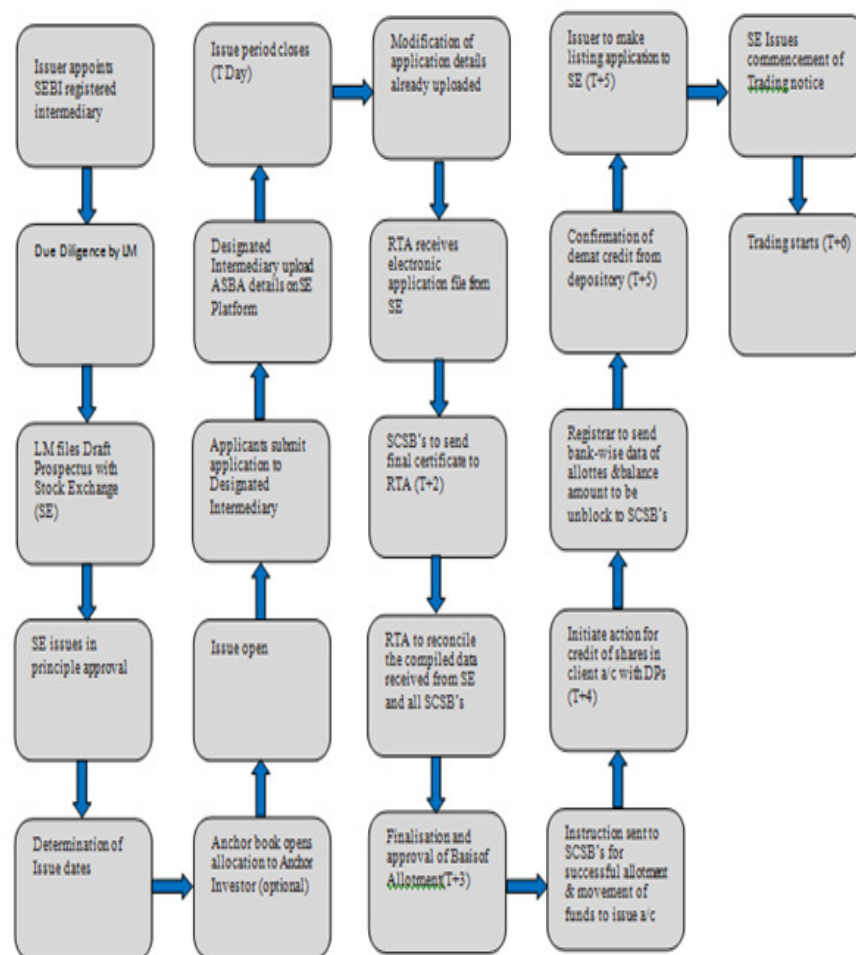
(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to Stock Exchange for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

Or

(b) If the Paid up Capital of the company is more than 10 crores and upto Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### **2.6 Flowchart of Timelines**

A flow chart of process flow in Fixed Price Issues is as follows:



### Section 3: Category of Investors eligible to participate in an Issue

**Each Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Applicants, such as NRIs, FIIs/FPIs, QFIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to this Prospectus for more details.

Subject to the above, an illustrative list of Applicants 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);
- 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 Applicant should specify that the Application is being made in the name of the HUF in the Application Form/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 may be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law ;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 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, applying under the QIBs category;

- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III Foreign Portfolio Investors applying under the QIBs category;
- FPIs which are Category III Foreign Portfolio Investors, applying under the NIIs 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; and
- Any other person eligible to apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### Section 4: Applying in the Issue

**Fixed Price Issue:** Applicants should only use the specified Application Form either bearing the stamp of Designated Intermediaries or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to this Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Color of the 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 applying under the QIB), FPIs, QFIs, on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. 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.

#### 4.1 Instructions for filing the application form (fixed price issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below. The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

<b>COMMON BID CUM APPLICATION FORM</b>		<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>		For Eligible NRI, FI, FVCI, applying on Restriction Basis:	
Address : _____		Contact Details : _____		CTN No : _____	
TO, THE BOARD OF DIRECTORS XYZ LIMITED		<b>FIXED PRICE GAME BOGUE</b>		Bid cum Application Form No. _____	
LOGO		INE00000000000			

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>		<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>		<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr./Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____	
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>		<b>ESCROW BANK/SCSB BRANCH STAMP &amp; CODE</b>			
<b>BANK BRANCH SERIAL NO.</b>		<b>SCSB SERIAL NO.</b>			
<b>3. BIDDER'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL				<b>6. Investor Status</b> <input type="checkbox"/> Non-Resident Indian (Repatriation Basis) <b>NR</b> <input type="checkbox"/> Foreign Institutional Investor <b>FI</b> <input type="checkbox"/> Foreign Venture Capital Investor <b>FVI</b> <input type="checkbox"/> FI Sub Account Corporate/Individual <b>FI SA</b> <input type="checkbox"/> Others (Please specify) <b>OTH</b>	
For NSDL, enter 8 digit ID followed by 3 digit Client ID / For CDSL, enter 16 digit Client ID					
<b>4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")</b>					
<b>Bid Options:</b> Option 1 _____ (OR) Option 2 _____ (OR) Option 3 _____		<b>No. of Equity Shares Bid (in Figures)</b> (Bid must be in multiples of Bid Lot as advertised) _____		<b>Price per Equity Share (₹) "Cut-off"</b> (Price in multiple of ₹ 1/- only) (in Figures) Bid Price: _____ Retail Discount: _____ Net Price: _____ Cut-off (Please tick) <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
				<b>5. CATEGORY</b> <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB	
<b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION: FULL PAY</b>					
Amount paid (₹ in figures) _____ (₹ in words) _____					
<b>ASBA</b> Bank A/c No. _____ Bank Name & Branch _____					
I/WE HEREBY CERTIFY THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNEXES, AND THE GENERAL INFORMATION DOCUMENT FOR EXISTING IN PUBLIC SECTOR (GID) AND HEREBY AGREE AND CONFIRM THE BIDDERS 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 BID CUM APPLICATION FORM GIVEN OVERLEAF.					
<b>8A. SIGNATURE OF SOLE / FIRST BIDDER</b> _____ Date : _____		<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)</b> (AS PER BANK RECORDS) I/We authorize the SCNB to do all acts as are necessary to make the Application in the line 1) _____ 2) _____ 3) _____		<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Bid in Stock Exchange system)	

<b>XYZ LIMITED</b>		<b>Initial Public Issue - NR</b>		<b>Acknowledgement Slip for Broker/SCSB/DP/RTA</b>		Bid cum Application Form No. _____	
LOGO		DPID: _____		PAN of Sole / First Bidder		_____	
Amount paid (₹ in figures) _____		Bank & Branch		Stamp & Signature of SCSB Branch		_____	
ASBA Bank A/c No. _____		Received from Mr./Ms. _____		Telephone / Mobile _____		Email _____	
TEAR HERE							
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> No. of Equity Shares _____ Bid Price _____ Amount Paid (₹) _____ ASBA Bank A/c No. _____ Bank & Branch _____		Stamp & Signature of Broker / SCSB / DP / RTA _____ <b>Acknowledgement Slip for Bidder</b> Bid cum Application Form No. _____		Name of Sole / First Bidder _____ _____		_____ _____	

#### 4.1.1 Field Number 1: Name and contact details of the sole/first applicant

- (a) 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:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including letters notifying the unblocking of the bank accounts of ASBA Applicants) 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 Application Form may be used by the Issuer, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.



- (c) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the 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 Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**“Any person who:**

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

- (e) **Nomination Facility to 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 dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective Depository Participant.

#### 4.1.2 Field Number 2: PAN number of sole/first applicant

- (a) PAN (of the sole/ first Applicant) provided in the 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 Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the 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 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) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### 4.1.3 Field Number 3: Applicants Depository Account Details

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.



- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Applicants 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 Applicants' sole risk.

#### **4.1.4 Field Number 4: Application details**

- (a) The Issuer mentions Price in the prospectus registered with RoC.

- (b) Minimum And Maximum Application Size

- i. For Retail Individual Applicants

The Application must be for a minimum of 4,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 4,000 Equity Shares.

- ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 4,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB and a NII Applicant cannot withdraw or lower its quantity or price in its application once the application is submitted and is required to pay 100% Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to different Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) 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 FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications 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.
- (e) The following applications may not be treated as multiple Applications:
  - 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 Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.1.5 Field Number 5: Category of applicants**

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of application, allocation and allotment in the Issue are RIIs, individual applicants other than RII'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, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

#### **4.1.6 Field Number 6: Investor Status**

- (a) Each Applicant 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 Applicants, such as NRIs, FIIs/FPIs and FVCIs may not be allowed to Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) 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 Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 Field Number 7: Payment Details**

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full amount in the Application Form and the payment shall be made for Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) All Applicants can participate in the Offer only through the ASBA mechanism.
- (c) Application Amount cannot be paid in cash, cheque, through money order or through postal order or through stock invest.
- (d) 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.

##### **4.1.7.1 Payment instructions for Applicants**

- (a) Applicants may submit the Application Form either
  - i. in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account, or
  - ii. 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 Application Form.
  - iii. in physical mode to any Designated Intermediary
- (b) Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the

Applicant is not the ASBA Account holder;

- (d) Applicants shall note that 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 Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **4.1.7.2 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 Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application , (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection, 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 ASBA Applicant 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 Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

#### **4.1.7.3 Additional Payment Instructions for NRIs**

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 Applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **4.1.7.4 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts Issued in the Issue, Applicants may refer to the Prospectus.
- (c) the Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Amount less Discount (if applicable).

Applicant may note that in case the net payment (post Discount) is more than two lakh Rupees, the system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### **4.1.8 Field Number 8: Signatures and Other Authorisations**

- (a) Only the First Applicant is required to sign the Application Form. Applicants 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 ASBA Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) Signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

#### **4.1.9 Acknowledgement and future communication**

- (a) Applicants should ensure that they receive the acknowledgment duly signed and stamped, designated intermediary as applicable, for submission of the Application Form.
- (b) All communications in connection with Applications made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblock of fund, the Applicants should contact the Registrar to the Issue.
  - ii. In case of Applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. In case of queries relating to uploading of Applications by a Registered Broker, the Applicants should contact the relevant Registered Broker.
  - iv. In case of Applications submitted to the RTA, the Applicants should contact the relevant RTA.
  - v. In case of Applications submitted to the DP, the Applicants should contact the relevant DP.
  - vi. Applicant may contact the Company Secretary and Compliance Officer or LM(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 Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
  - ii. name and address of the Designated Intermediary, as the case may be, where the application was submitted
  - iii. ASBA Account number in which the amount equivalent to the Amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.





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:

#### **4.2.1 Fields 1, 2 and 3: Name and Contact Details Of Sole/First Applicant, PAN of Sole/First Applicant & Depository Account Details of the Applicant**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.2.2 Field 4 & 5: Application Form Revision ‘From’ and ‘To’**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

#### **4.2.3 Field 6: Payment Details**

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

#### **4.2.4 Field 7: Signatures and Acknowledgements**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### **4.3 Submission of Application Form/ Revision Form/Application Form**

#### **4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-**

Mode of Application	Submission of Application Form
All Applications	To the Designated intermediaries

## **Section 5: Issue Procedure in Fixed Price Issue**

**5.1 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 collection centres/SCSB and/or Bankers to the Issue .

ASBA Applicants may submit an Application Form either in physical form to any of the Designated Intermediary or in the electronic form to the SCSB or the Designated 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 Issue Opening Date.

In a fixed price Issue, allocation in the net Issue to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; 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.

## 5.2 Grounds of 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;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 4,000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/cheque;
- 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 where clear funds are not available in the Account as per the final certificate from the Public Issue Bank(s);
- 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, unless the extended time is permitted by BSE
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.

**Applicants Should Note that in Case the PAN, the DP ID and client ID mentioned in the application form and entered into the electronic application system of the stock exchanges do not match with PAN, the DP ID and client ID available in the depository database, the application form is liable to be rejected.**



For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of the GID.

## **Section 6: Issue Procedure in Book Built Issue**

This being Fixed Price Issue, this section is not applicable for this Issue.

## **Section 7: Allotment procedure and Basis of Allotment**

### **7.1 Basis of Allotment**

Allotment will be made in consultation with the BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

(a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).

(b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

(c) For applications where the proportionate allotment works out to less than 4,000 equity shares the allotment will be made as follows:

- i. Each successful Applicant shall be allotted 4,000 equity shares; and
- ii. The successful Applicants out of the total applicants for that category shall be determined by the withdrawal 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.

(d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 4,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 4,000 equity shares subject to a minimum allotment of 4,000 equity shares.

(e) 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 or 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 Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 4,000 Equity Shares, results in the actual allotment being higher than the shares Issued, 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.

(f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

- i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
- ii. The balance net Issue of shares to the public shall be made available for allotment to
  - individual applicants other than retails individual investors and
  - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
- iii. The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to 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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with SEBI (ICDR) Regulations.

## 7.2 Designated Date and Allotment of Equity Shares

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants 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 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 shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date.

## Section 8: Interest and unblocking

### 8.1 Completion of formalities for Listing & commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

### 8.2 Grounds for Unblocking of Funds

#### 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. The Stock Exchange from where such permission is sought are disclosed in this Prospectus. The Designated Stock Exchange may be as disclosed in this Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts.

If such money is not repaid 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 Prospectus.

#### 8.2.2 Non receipt of Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement to Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of 15% p.a.

### 8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allotees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies maybe unblocked.

### 8.3 Mode of unblocking of funds

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

### 8.4 Interest in case of delay in allotment or Unblocking of Funds

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum if Allotment is not made in accordance with timelines prescribes 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
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Applicant	Any prospective investor who makes a Application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an Issue during the Issue Period by a prospective investor pursuant to submission of Application Form, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues
Application Supported by Blocked Amount / ASBA) /ASBA	An application, whether physical or electronic, used by Applicants to make an Application authorising the SCSB to block the Application Amount in the specified bank account maintained with such SCSBs
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and the Companies Act, 2013 to the extent notified

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 Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the fresh Issue, may give delivery instructions for the transfer of the Equity Shares constituting the Issue for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with the Designated Stock Exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Applicant may refer to the draft Prospectus/Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under 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 SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
FPO	Further public Issue
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 Issue
Issue	Public Issue of Equity Shares of the Issuer
Issuer/ Company	The Issuer proposing the initial public Issue/further public Issue as applicable
Issue Closing Date	The date after which the Designated Intermediary may not accept any Applications 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 may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the Designated Intermediary may start accepting Applications 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 may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their application

	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, 2009. Applicants may refer to the Prospectus for the Issue Period
Issue Price	The Price at which Equity Shares will be issued and allotted by our Company being Rs. 30/- per Equity Share.
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft Prospectus/Prospectus and the Application Form of the Issuer.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Lot size. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Lot size.
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
NECS	National Electronic Clearing Service
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 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 NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs), FPIs which are category III FPIs
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the draft Prospectus/Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs/FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	This prospectus filed with the RoC in accordance with Section 26 of the Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
Qualified Financial Investors or QFIs	<p>Non-Resident investors, other than SEBI registered FIIs/FPIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii)</p>

	jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the draft Prospectus/Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or Applications for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies 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 RIIs which shall not be less than the minimum lot size, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicants in an issue to modify the quantity of Equity Shares indicates therein in any of their 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
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which Issues the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a>
Stock Exchange/ SE	The stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Underwriter	The Lead Manager
Underwriting Agreement	The agreement amongst the Issuer and the Underwriter
Working Day	Working Day shall be all trading days of stock exchanges excluding Sunday and bank holidays as per SEBI circular No. 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 the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the FIPB and the RBI.

The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), issued the Consolidated FDI Policy Circular of 2016 (“**FDI Circular 2016**”), which, with effect from June 7, 2016, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 7, 2016. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 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, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A of the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales occur.**

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.



## **SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

### **THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF (INDIA GREEN REALITY LIMITED)**

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Table F in Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below:*

#### **CAPITAL AND SHARES**

4. The Authorized Share Capital of the Company is as per clause V of the Memorandum of Association of the Company with all rights to the company to alter the same in any way it thinks fit.
5. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.
6. The shares capital shall be distinguished by its appropriate number provided that nothing in this clause shall apply to the shares held with a depository.

#### **SHARES AT THE DISPOSAL OF THE DIRECTORS**

7. Subject to the provisions of Section 62 of the Act and these Articles, the shares capital of Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, In 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 Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

#### **FURTHER ISSUE OF SHARES**

8. (1) Where at any time the company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered –
  - (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:-
    - 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;
    - 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;
    - 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 disadvantageous to the shareholders and the company;

- (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 determined by central government; or
- (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 determined by central government.

(2) The notice referred to in sub-clause (i) of clause (1) (a) 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.

(3) Nothing in this section 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.

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.

### **POWER TO OFFER SHARES/OPTIONS TO ACQUIRE SHARES**

9. (i) Without prejudice to the generality of the powers of the Board under 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 there under 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 (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, in case of shares issued as sweat equity shares as per section 54 of the Act 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.
- (ii) In addition to the powers of the Board under Article 9(i), the Board may also allot the Shares referred to in Article 9(i) 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 9(i) 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.

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 9(i) and (ii) above.

### **REDEEMABLE PREFERENCE SHARES**

10. Subject to the provisions of Section 55 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, are liable to be redeemed and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

### **PROVISIONS APPLICABLE IN CASE OF REDEEMABLE SHARES**

11. On the issue of redeemable preference shares under the provisions of Article 10 hereof, the following provisions shall take effect.
  - (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption;
  - (b) No such shares shall be redeemed unless they are fully paid;

- (c) where such shares are proposed to be redeemed out of the profits of the company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the Capital Redemption Reserve Account and the provisions of this Act relating to reduction of share capital of a company shall apply as if the Capital Redemption Reserve Account were paid-up share capital of the company.

#### **NEW CAPITAL SAME AS ORIGINAL CAPITAL**

12. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered part of the initial capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments; transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

#### **RESTRICTIONS ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES**

13. (1) The company shall not have power to buy its own shares unless the consequent reduction of share capital is effected in accordance with provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act as applicable at the time of application.

This Article is not to delegate any power which the Company would have if it were omitted.

(2) The company shall not give, whether directly or indirectly and 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 shares in the company or in its holding company.

(3) Nothing in sub-clause (2) shall apply to –

- (a) the company in accordance with any scheme approved by company through special resolution and in accordance with such requirements as may be determined by central government, for the purchase of, or subscription for, fully paid up shares in the company or its holding company, if the purchase of, or the subscription or, the shares held by trustees for the benefit of the employees or such shares held by the employee of the company;
- (b) the giving of loans by a company to persons in the employment of the company other than its directors or key managerial personnel, for an amount not exceeding their salary or wages for a period of six months with a view to enabling them to purchase or subscribe for fully paid-up shares in the company or its holding company to be held by them by way of beneficial ownership;

Provided that disclosures in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates shall be made in the Board's report in such manner as may be determined by central government.

#### **REDUCTION OF CAPITAL**

14. The Company may, subject to the provisions of the Companies Act, 2013 or other applicable provisions (if any) of the Act, as applicable at the time of application from time to time by special resolution, reduce its capital and any capital redemption reserve account or any share premium account in any manner for the time being authorized by law and in particular, capital may be paid off on the footing that it may be called up again or otherwise.

#### **CONSOLIDATION AND DIVISION OF CAPITAL**

15. The Company may in general meeting alter the conditions of its Memorandum of Association as follows:
- (a) Consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares but no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

- (b) Sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. The cancellation of shares in pursuance of this sub-clause, shall not be deemed to be reduction of share capital within the meaning of the Act.

#### **SALE OF FRACTIONAL SHARES**

- 16. If and whenever as a result of issue of new shares of any consolidation or sub-division of shares any share become held by members in fractions, the Board shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportions the net proceeds of the sale thereof. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

#### **MODIFICATION OF RIGHTS**

- 17. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of the Companies Act, 2013 be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of atleast three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of the class

#### **ISSUE OF FURTHER SHARES ON PARI PASSU BASIS**

- 18. The rights conferred upon the holders of shares of any class issued with preferred or other rights, not unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

#### **NO ISSUE WITH DISPROPORTIONATE RIGHTS**

- 19. The Company shall not issue any shares (not being preference shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being preference shares).

#### **POWER OF COMPANY TO DEMATERIALIZE AND REMATERIALIZE**

- a. “Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities and rematerialize its such shares, debentures and other securities held by it with the Depository and/ or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under if any”

#### **DEMATERIALIZATION OF SECURITIES**

- b. Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.

#### **INTIMATION TO DEPOSITORY**

- c. “Notwithstanding anything contained in this Article, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of

such Securities”

### **OPTION FOR INVESTORS**

- d. “Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of a Depository, if permitted by law, in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.”

### **THE COMPANY TO RECOGNIZE UNDER DEPOSITORIES ACT, INTEREST IN THE SECURITIES OTHER THAN THAT OF REGISTERED HOLDER**

- e. “The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with Depository in electronic form and the certificates in respect thereof shall be, dematerialized in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.”

### **SECURITIES IN DEPOSITORIES AND BENEFICIAL OWNERS**

- f. “All Securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.”

### **RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS**

- g. (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository.

### **DEPOSITORY TO FURNISH INFORMATION**

- h. 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.

### **SHARES AND CERTIFICATES**

### **REGISTER AND INDEX OF MEMBERS**

20. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 88 and other applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.

### **SHARES TO BE NUMBERED PROGRESSIVELY**

21. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before mentioned, no share shall be sub-divided.

### **DIRECTORS MAY ALLOT SHARES FULLY PAID-UP**

22. Subject to the provisions of the Act and of these Articles, the Board may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid up shares.

### **APPLICATION OF PREMIUM RECEIVED ON SHARES**

23. (1) Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to a “securities premium account” and the provisions of this Act relating to reduction of share capital of a company shall, except as provided in this article, apply as if the securities premium account were the paid-up share capital of the company.
- (2) Notwithstanding anything contained in clause (1), the securities premium account may be applied by the company –
- (a) towards the issue of unissued shares of the company to the members of the company as fully paid bonus shares;
  - (b) in writing off the preliminary expenses of the company;
  - (c) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company;
  - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the company; or
  - (e) for the purchase of its own shares or other securities under section 68.

### **ACCEPTANCE OF SHARES**

24. Subject to the provisions of these Articles, any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accept any shares and whose name is on the Register of Members shall, for the purposes of these Articles, be a member, provided that no share shall be applied for or allotted to a minor, insolvent or person of unsound mind.

### **LIABILITY OF MEMBERS**

25. Every member or his heir, executors or administrators shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being remain unpaid thereon in such amounts, at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company’s regulations require or fix for the payment thereof.

### **LIMITATION OF TIME FOR ISSUE OF CERTIFICATE**

26. The Company shall, unless the conditions of issue otherwise provide, within three months after the allotment of any of its shares or debentures and within one month after the application for the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred.

Every members 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 may from to 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 one month 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 or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to all such holder.

#### **ISSUE OF NEW CERTIFICATE IN PLACE OF DEFACED, LOST OR DESTROYED**

27. 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 Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.20/- for each certificate) as the Directors shall prescribe. Provided that no fees shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

#### **RIGHT TO OBTAIN COPIES OF AND INSPECT TRUST DEED**

28. A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment not exceeding Rs.10/- (Rupees Ten) per page.

The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

#### **JOINT ALLOTTEES OF HOLDERS**

29. Any two or more joint allottees or holders of shares shall, for the purpose of Articles, be treated as a single member and the certificate for 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.

#### **COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN THAT OF REGISTERED HOLDER**

30. (i) The Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share or (except only as is by these presents, otherwise expressly provided) any right in respect of a share other than an absolute right there to, in accordance with these presents in the person from time to time registered as the holder thereof, but the Board shall be at liberty at its sole discretion to register any share in the joint names of two or more persons or survivors of them.
- (ii) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as by Law required) be bound to recognize any benami trust or equitable, contingent, future, partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.



## **WHO MAY HOLD SHARES**

31. Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or in the name of a person of unsound mind or in the name of any firm or partnership.
32. 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. 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.

## **DECLARATIONSIN RESPECT OF BENEFICIAL INTEREST IN ANY SHARES**

34. (1) In pursuance of section 89 of the act, where the name of a person is entered in the register of members of a company as the holder of shares in that company but who does not hold the beneficial interest in such shares, such person shall make a declaration (within such time and in such form as may be determined by Central Govt.) to the company specifying the name and other particulars of the person who holds the beneficial interest in such shares.  
  
 (2) Every person who holds or acquires a beneficial interest in share of the company shall make a declaration to the company specifying the nature of his interest, particulars of the person in whose name the shares stand registered in the books of the company and such other particulars (as may be determined by Central Govt.)  
  
 (3) Where any change occurs in the beneficial interest in such shares, the person referred to in clause (1) and the beneficial owner specified in clause (2) shall, within a period of thirty days from the date of such change, make a declaration to the company in such form and containing such particulars (as may be determined by Central Govt.)  
  
 (4) The Company has be bound to follows the rules as may be made by the Central Government to provide for the manner of holding and disclosing beneficial interest and beneficial ownership under this section.  
  
 (5) Where any declaration under this article is made to a company, the company shall make a note of such declaration in the register concerned and shall file, within thirty days from the date of receipt of declaration by it, a return in the prescribed form with the Registrar in respect of such declaration with such fees or additional fees as may be determined by central government, within the time specified under section 403.  
  
 (6) No right in relation to any share in respect of which a declaration is required to be made under this article but not made by the beneficial owner, shall be enforceable by him or by any person claiming through him.  
  
 (7) Nothing in this article shall be deemed to prejudice the obligation of a company to pay dividend to its members under this Act and the said obligation shall, on such payment, stand discharged.

## **FUNDS OF COMPANY NOT TO BE APPLIED IN PURCHASE OF SHARES OF THE COMPANY**

35. No funds of the Company shall except as provided by Section 67 of the Act, be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of provisions of the Companies Act, 2013 as may be applicable at the time of application and these Articles or in giving either directly or indirectly and 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.

### **ISSUE OF SHARES WITHOUT VOTING RIGHTS**

36. 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 through fit and as may be permitted by law.

### **SECTIONS 45 OF ACT NOT TO APPLY**

37. Notwithstanding anything to the contrary contained in the Articles,
- (i) Section 45 of the Act shall not apply to the Shares held with a Depository;

### **TRUST RECOGNIZED**

38. 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.

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.

### **REGISTRATION OF CHARGES**

39. The provisions of the Act relating to registration of charges shall be complied with.

In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.

Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.

Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

### **UNDERWRITING AND BROKERAGE**

#### **COMMISSION MAY BE PAID**

40. A company may pay commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, subject to the following conditions, namely: -
- (a) The payment of such commission shall be authorized in the company's articles of association;
  - (b) The commission may be paid out of proceeds of the issue or the profit of the company or both;
  - (c) The rate of commission paid or agreed to be paid shall not exceed, in case of shares, five percent of the price at which the shares are issued or a rate authorised by the articles, whichever is less,

and in case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued, or as specified in the company's articles, whichever is less;

(d) The prospectus of the company shall disclose—

- i. The name of the underwriters;
- ii. The rate and amount of the commission payable to the underwriter; and
- iii. The number of securities which is to be underwritten or subscribed by the underwriter absolutely or conditionally.

(e) There shall not be paid commission to any underwriter on securities which are not offered to the public for subscription;

(f) A copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus for registration.

#### **BROKERAGE MAY BE PAID**

41. The Company may pay a reasonable sum for brokerage on any issue of shares and debentures.

#### **CALLS ON SHARES**

##### **DIRECTORS MAY MAKE CALLS**

42. The Board of Directors may from time to time by a resolution passed at meeting of the Board (and not by circular resolution) make such call as it may think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at a fixed time and each member shall pay the amount of every call so made on him to the persons and at the times and place appointed by the Board of Directors. A call may be made payable by installments.

##### **CALLS ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS**

43. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

#### **NOTICE OF CALLS**

44. One month notice at least of every call payable otherwise than on allotment shall be given by the Company specifying the time and place of payment and to whom such call shall be paid.

#### **CALLS TO DATE FROM RESOLUTION**

45. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the members on the Register of Members on a subsequent date to be fixed by the Board.

#### **DIRECTORS MAY EXTEND TIME**

46. The Board of Directors may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such times as to all or any of the members, who from residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension save as a matter of grace and favour.

#### **CALL TO CARRY INTEREST AFTER DUE DATE**

47. If any member fails to pay a call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory upon the Board of Directors to demand or recover any interest from any such member.

### **PROOF ON TRIAL IN SUIT FOR MONEY DUE ON SHARES**

48. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any debt or 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, appears, entered on the register of members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be received, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his representatives sued in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

### **PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST**

49. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, 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 not exceeding 12% unless the company in general meeting shall otherwise direct, 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 participate in profits or dividend. The Directors may at any time repay the amount so advanced. 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. The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the Company.

### **FORFEITURE, SURRENDER AND LIEN**

#### **IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN**

50. If any member fails to pay any call or installment of a call in respect of any shares on or before the day appointed for the payment of the same, the Board may at any time hereafter during such time as the call or installment remains unpaid, serve a notice on such member or on the person (if any) entitled to the share by transmission 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.

#### **FORM OF NOTICE**

51. The notice shall name a day (not being earlier than the expiry of fourteen days from the date of service of the notice) and a place or places on and at which such money, including the call or installment and such interest and expenses as aforesaid is to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the shares in respect of which the calls was made or installment was payable, will be liable to be forfeited.

#### **IN DEFAULT TO PAYMENT SHARES TO BE FORFEITED**

52. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before all the calls or installments and interest and expenses due in respect thereof are paid, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends and bonus declared in respect of the forfeited shares and not actually paid before forfeiture but provided that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

#### **NOTICE OF FORFEITURE**

53. When any share shall have been so forfeited, notice of the resolution 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 provided however that the failure to give the notice of the shares having been forfeited will not in any way invalidate the forfeiture.

### **FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY**

54. Any shares so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot otherwise dispose off the same in such manner as it thinks fit.

### **POWER TO ANNUL FORFEITURE**

55. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof as a matter of grace and favour but not as of right upon such terms and conditions as it may think fit.

### **ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE**

56. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company 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 forfeiture until payment at such rate not exceeding fifteen per cent per annum as the Board may determine and the Board may enforce the payment of such moneys or any part thereof if it thinks fit, but shall not be under any obligation so to do.

### **EFFECT OF FORFEITURE**

57. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company, in respect of the share and all other rights, incidental to the share except only such of those rights as are by these Articles expressly saved.

### **PROCEEDS HOW TO BE APPLIED**

58. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

### **DECLARATION OF FORFEITURE**

59. (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director of the Manager of 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.
- (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof any may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.
- (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.
- (d) Any such purchaser or allottee 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 have accrued upon the Share before the time of completing such purchase or before such allotment.
- (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.
60. The declaration as mentioned in Article 59 (a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

### **TITLE OF PURCHASER AND ALLOTTEE OF FORFEITED SHARES**

61. 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 and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share. Any such purchaser or allottee shall not (unless by express agreement to the contrary) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall he be entitled (unless by express agreement to contrary) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment. 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 affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or disposal of the share.

### **PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

62. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

### **THE PROVISIONS OF THESE ARTICLES AS TO FORFEITURE TO APPLY IN CASE OF NON-PAYMENT OF ANY SUM**

63. The provisions of these Articles as to forfeiture shall apply to the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal value of the Shares or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **BOARD MAY ACCEPT SURRENDER OF SHARES**

64. The Board may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering the same on such terms as the Board may think fit.

### **COMPANY'S LIEN ON SHARE/DEBENTURES**

65. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. The registration of a transfer of shares/debentures shall not operate as a waiver of the Company's lien if any, on such shares/debentures unless otherwise agreed by the Board. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.

### **ENFORCING LIEN BY SALE**

66. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it thinks fit but no sale shall be made until such time fixed as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member his heirs, executors, administrators or other legal representatives as the case may be and default shall have been made by him or them in payment, fulfillment or discharged of such debts, liabilities or engagements for fourteen days after the date of such notice.

### **APPLICATION OF PROCEEDS OF SALE**

67. The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of the said debts, liabilities or engagements and the residue, if any, shall be paid to such member, his heirs, executors, administrators or other legal representatives, as the case may be.

### **VALIDITY OF SALE IN EXERCISE OF LIEN AND AFTER FORFEITURE**

68. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board of Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor 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.

### **BOARD OF DIRECTORS MAY ISSUE NEW CERTIFICATES**

69. Where an shares under the powers in that behalf herein contained are sold by the Board of Directors after forfeiture or for enforcing a lien, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall voluntarily or on demand by the Company, have been previously surrendered to the Company by the defaulting member) stand cancelled and become null and void and of no effect and the Board of Directors may issue a new certificate or certificates for such shares distinguishing it or them in such manner as it may think fit from the certificate or certificates previously issued in respect of the said shares.

### **SUM PAYABLE ON ALLOTMENT TO BE DEEMED A CALL**

70. For the purpose 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.

### **TRANSFER AND TRANSMISSION OF SHARES**

#### **REGISTER OF TRANSFER**

71. The Company shall keep a book to be called the Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

#### **EXECUTION OF TRANSFER**

72. Subject to the Provisions of the Act and these Articles, the transfer of shares in or debentures of the Company shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate if in existence or along with the letter of allotment of the shares or debentures. The transferor shall be deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Shares of different classes shall not be included in the same instrument of transfer.

#### **INSTRUMENT OF TRANSFER**

73. Every such instrument of transfer shall be signed both by the Transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of members in respect thereof.



## **FORM OF TRANSFER**

74. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof. The Company shall use a common form for transfer.

### **NO TRANSFER TO A PERSON OF UNSOUND MIND, ETC**

75. No transfer shall be made to a minor or a person of unsound mind.

## **TRANSFER OF SHARES**

76. (i) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee
- (ii) 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.
- (iii) For the purpose of clause (2) hereof 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 instruments 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.

## **DIRECTORS MAY REFUSE TO REGISTER TRANSFER**

77. Subject to the Provisions of Section 58 and 59, 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 person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. If the Company refuses to register the transfer of any share or transmission of right therein, the Company shall within one month from the date on which instrument of transfer or the intimation of transmission, as the case may be, was delivered to the Company, sends notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be. Nothing in these Articles shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares of the Company has been transmitted by operation of law.

## **NO FEE ON TRANSFER OR TRANSMISSION**

78. No fee shall be charged for registration of transfer, transmission, Probate, Succession, Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

## **TRANSFER TO BE LEFT AT OFFICE AS EVIDENCE OF TITLE GIVEN**

79. Every instruments of transfer duly executed and stamped shall be left at the office for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

### **WHEN TRANSFER TO BE RETAINED**

80. All instruments of transfer which are registered shall be retained by the Company but any instrument of transfer which the Board declines to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company after such period not being less than eight years as it may determine.

### **DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES**

81. In the case of death of any one or more of the persons named in Register of Members as joint shareholders of any share, the survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a joint shareholder from any liability to the Company on shares held by him jointly with any other person.

### **TITLE TO SHARES OF DECEASED HOLDER**

82. Subject to Article 81 the heir, executor or administrator of a deceased shareholder shall be the only person recognized by the Company as having any title to his shares and the Company shall not be bound to recognize such heir, executor or administrator unless such heir, executor or administrator shall have first obtained probate, letters of administration or succession certificate.

### **REGISTRATION OF PERSONS ENTITLED TO SHARE OTHERWISE THAN BY TRANSFER**

83. Subject to the provisions of Article 90 any person becoming entitled to any 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 present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.

A transfer of the share or other interest 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

### **CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE**

84. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not complied within sixty days the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

### **TRANSMISSION OF SHARE**

85. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board (which it shall not be under

any obligation to give) upon producing such evidence as the Board think 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, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the share.

#### **BOARD MAY REFUSE TO TRANSMIT**

86. The Board shall have the same right to refuse on legal grounds to register a person entitled by transmission to any share or his nominee, as if he were the transferee named in any ordinary transfer presented for registration.

#### **BOARD MAY REQUIRE EVIDENCE OF TRANSMISSION**

87. Every transmission of share shall be verified in such manner as the Board may require and if the Board so desires, be accompanied by such evidence as may be thought necessary and the Company may refuse to register any such transmission until the same be verified on requisite evidence produced or until or unless an indemnity be given to the Company with regard to such registration which the Board at its absolute discretion shall consider sufficient, provided nevertheless, that there shall not be any obligation on the Company or the Board to accept any indemnity.

#### **TRANSFER BY LEGAL REPRESENTATION**

88. A transfer of a 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 instrument of transfer.

#### **CERTIFICATE OF TRANSFER**

89. The Certification by the Company of any instrument of transfer of shares in or debentures of the Company, shall be taken as a representation by the Company to any person acting on the faith of the certification that there have been produced to the Company such documents as on the face of them show a prime facie title to the shares or debentures in the transferor named in the instrument of transfer, but not as a representation that the transferor has any title to the shares or debentures

#### **THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF TRANSFER**

90. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer or transmission 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 any may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books 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.

#### **NOMINATION**

91. (i) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be determined by central government under the Act.

- (ii) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be determined by central government under the act.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholders or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be determined by central government under the Act.
- (iv) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

#### **“Option of Nominee”**

92. (i) A nominee upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-(a) to register himself as holder of the share or debenture, as the case may be; (b) or to make such transfer of the shares and/or debentures, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee elects to be registered as holder of the shares or debentures, himself, as the case may be, he shall deliver or send to the Company, notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder, as the case may be.

A nominee shall be entitled to the share dividend/interest and other advantages to which he would be entitled if he were the registered holder of the shares or debentures, provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to the meeting of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

#### **TRUST NOT RECOGNISED**

93. Save as herein otherwise provided, the Company shall be entitled to treat the person whose names appears on the Register of Members/Debentures as the holder of any Shares/Debentures in the records of the Company and/or in the records of the Depository as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognize any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such shares/debentures on the part of any other person or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decided to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them.

#### **TRANSFER OF SECURITIES**

94. Nothing contained in Section 56(1) of the Act or these Articles shall apply to a transfer of securities affected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

#### **NOTICE OF APPLICATION WHEN TO BE GIVEN**

95. Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

#### **REFUSAL TO REGISTER NOMINEE**

96. 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**

97. 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.

#### **BOARD MAY REFUSE TRANSFER TO MORE THAN THREE PERSONS**

98. Subject to the provisions of the Act, the Board may refuse to transfer a share or shares in the joint names of more than three persons.

#### **JOINT HOLDERS**

99. If any share 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/or any other matter connected with the Company, except voting at meeting and the transfer of the share, be deemed the sole holder thereof, but the joint holders of a share be severally as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof subject to the following and other provisions contained in these articles;

#### **JOINT AND SEVERAL LIABILITIES FOR ALL PAYMENTS IN RESPECT OF SHARES**

- (a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

#### **TITLE OF SURVIVORS**

- (b) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

#### **EFFECTUAL RECEIPTS**

- (c) Any one of several persons who is registered as joint holder of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such share.

#### **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE TO FIRST NAMED HOLDER**

- (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 29 from the Company and document served on or sent to such person shall be deemed service on all the joint holders).

## **VOTES OF JOINT HOLDERS**

- (e) Any one or two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney than that one or such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the others of the joint holders shall be entitled to be present at the meeting; provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by an attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. Several executors or administrators of a deceased members in whose (deceased member's) sole name any shares stand shall for the purpose of this Article, be deemed joint holders.

## **CONVERSION OF SHARES INTO STOCK**

### **SHARES MAY BE CONVERTED INTO STOCK**

100. The Board may, pursuant to section 61 with the sanction of a General Meeting, convert any paid up share into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth, transfer their respective interests therein or any part of such interest in the same manner as and subject to the same regulations, under which fully paid up share in the capital of the Company may be transferred or as near thereto as circumstances will admit, but the Board may, from time to time if it thinks fit, fix the minimum amount of stock transferable and direct that fractions of a rupee shall not be dealt with, power nevertheless at their discretion to waive such rules in any particular case.

## **RIGHTS OF STOCK-HOLDERS**

101. The stock shall confer on the holders thereof respectively the same rights, privileges and advantages as regards participation in the profits and voting at meetings of the Company and for other purposes as would have been conferred by shares of equal amount in the capital of the Company of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages except participation in the profits of the Company or in the assets of the Company on a winding up, shall be conferred by any such equivalent part of consolidated stock as would not, if existing in shares have conferred such privileges or advantages. No such conversion shall effect or prejudice any preference or other special privileges attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit, apply to stock as well as to shares. The Company may at any time reconvert any such stock into fully paid up shares of any denomination.

## **MEETING OF MEMBERS**

102. (a) Subject to Section 96 of the Act, the Company shall in each year hold, in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it and not more than fifteen months shall elapse between the date of the Annual General Meeting of the Company and that of the next, provided also that the Register may, for any special reason, extend the time within which any annual general meeting shall be held by a period not exceeding three months.
- (b) Every Annual General Meeting shall be called for at a time during business hours that is between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the Registered Office of the Company or at some other place within the city or town or village in which the Registered Office of the Company is situated.
103. The Company shall in accordance with Section 92 of the Act, within 60 days from the day on which the Annual General Meeting is held, prepare and file with the Registrar an annual return together with the copy of the financial statements, including consolidated financial statement, if any, along with all the documents which are required to be or attached to such financial statements under this act, duly adopted at the Annual General Meeting of the company. A copy of the financial statements adopted at the Annual

General Meeting shall be filed within 30 days of the annual general meeting in accordance with Section 137 of the Act.

#### **DISTINCTION BETWEEN ANNUAL GENERAL MEETING AND EXTRA-ORDINARY GENERAL MEETING**

104. The General Meeting referred to in Article 99 shall be called and styled as an Annual General Meeting and all meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings. ‘

#### **CALLING OF EXTRA-ORDINARY GENERAL MEETING**

105. (1) The Board may, whenever it deems fit, call an extraordinary general meeting of the company.
- (2) The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting power of all the members having on the said date a right to vote, call an extraordinary general meeting of the company within the period specified in clause (4).
- (3) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.
- (4) The requisition made under clause (2) shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company.
- (5) A meeting under clause (4) by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.
- (6) Any reasonable expenses incurred by the requisitionists in calling a meeting under clause (4) shall be reimbursed to the requisitionists by the company and the sums so paid shall be deducted from any fee or other remuneration under section 197 payable to such of the directors who were in default in calling the meeting.

#### **LENGTH OF NOTICE FOR CALLING MEETING**

106. (1) A general meeting of a company may be called by giving not less than clear twenty-one days’ notice either in writing or through electronic mode in such manner as may be determined by central government:

Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.

- (2) Every notice of a meeting shall specify the place, date, day and the hour of the meeting and shall contain a statement of the business to be transacted at such meeting.
- (3) The notice of every meeting of the company shall be given to –
- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - (b) the auditor or auditors of the company; and
  - (c) every director of the company.
- (4) Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.



## EXPLANATORY STATEMENT TO BE ANNEXED TO NOTICE / SPECIAL BUSINESS

107. (1) Pursuant to section 102 a statement setting out the following material facts concerning each item of special business to be transacted at a general meeting, shall be annexed to the notice calling such meeting, namely: -
- (a) the nature of concern or interest, financial or otherwise, if any, in respect of each items of—
    - i. every director and the manager, if any;
    - ii. every other key managerial personnel; and
    - iii. relatives of the persons mentioned in sub-clauses (i) and (ii);
  - (b) any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
- (2) For the purposes of clause (1),—
- (a) in the case of an annual general meeting, all business to be transacted thereat shall be deemed special, other than—
    - i. the consideration of financial statements and the reports of the Board of Directors and auditors;
    - ii. the declaration of any dividend;
    - iii. the appointment of directors in place of those retiring;
    - iv. the appointment of, and the fixing of the remuneration of, the auditors; And
  - (b) in the case of any other meeting, all business shall be deemed to be special:  
 Provided that where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent. of the paid-up share capital of that company, also be set out in the statement.
- (3) Where any item of business refers to any document, which is to be considered at the meeting, the time and place where such document can be inspected shall be specified in the statement under sub- clause (1).
108. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it is convened.

## QUORUM

109. (1) The quorum for a General Meeting of the Company shall be as under:
- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand; or
  - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand; or
  - (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand; shall be the quorum for a meeting of the company.
- (2) If the quorum is not present within half-an-hour from the time appointed for holding a meeting of the company –
- (a) the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine; or
  - (b) the meeting, if called by requisitionists under section 100, shall stand cancelled: Provided that in case of an adjourned meeting or of a change of day, time or place of meeting under clause (a), the company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.
- (3) If at the adjourned meeting also, a quorum is not present within half-an-hour from the time appointed for

holding meeting, the members present shall be the quorum.

#### **RESOLUTION PASSED AT ADJOURNED MEETING**

110. Where a resolution is passed at an adjourned meeting of –  
     (a) a company; or  
     (b) the holders of any class of shares in a company;  
     or (c) the Board of Directors of a company,

the resolution shall, for all purposes, be 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.

#### **REGISTRATION OF RESOLUTIONS AND AGREEMENTS**

111. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

#### **POWER OF ADJOURN GENERAL MEETING**

112. (1) The Chairman of the General Meeting at which a quorum is present, and shall if so directed by the meeting, may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) 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.
- (3) 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.

#### **CHAIRMAN OF GENERAL MEETING**

113. The Chairman of the Board shall, if willing, preside as Chairman at every General Meeting, Annual or Extra-ordinary, if there be no such Chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declined to take the Chair, the Directors present may choose one of their members to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Director present be willing to take the Chair, members shall, on a show of hands elect one of their numbers to be Chairman, of the meeting, if a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman elected on a show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected chairman as a result of the poll, he shall be the Chairman for the rest of the meeting.

#### **BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILE CHAIR VACANT**

114. No business shall be discussed at any General Meeting except the election of a Chairman while the chair is vacant.

#### **RESOLUTION MUST BE PROPOSED AND SECONDED**

115. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed nor put to vote until the same has been proposed by a member present and entitled to vote at such meeting and seconded by another member present and entitled to vote at such meeting.

## POSTAL BALLOT

116. (1) Notwithstanding anything contained in this Act, the company –
- (a) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and
  - (b) may, in respect of any item of business, other than ordinary business and any business in respect of which directors or auditors have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be determined by Central Government, instead of transacting such business at a general meeting.
- (2) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

## DECLARATION OF CHAIRMAN TO BE CONCLUSIVE

117. A declaration by the Chairman that a resolution has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution

## CIRCULATION OF MEMBERS' RESOLUTION

118. (1) A company shall, on requisition in writing of such number of members, as required in section 100,—
- (a) give notice to members of any resolution which may properly be moved and is intended to be moved at a meeting; and
  - (b) circulate to members any statement with respect to the matters referred to in proposed resolution or business to be dealt with at that meeting.
- (2) A company shall not be bound under this section to give notice of any resolution or to circulate any statement unless –
- (a) a copy of the requisition signed by the requisitionists (or two or more copies which, between them, contain the signatures of all the requisitionists) is deposited at the registered office of the company,—
    - i. in the case of a requisition requiring notice of a resolution, not less than six weeks before the meeting;
    - ii. in the case of any other requisition, not less than two weeks before the meeting; and
  - (b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the company's expenses in giving effect thereto:

Provided that if, after a copy of a requisition requiring notice of a resolution has been deposited at the registered office of the company, an annual general meeting is called on a date within six weeks after the copy has been deposited, the copy, although not deposited within the time required by this sub-section, shall be deemed to have been properly deposited for the purposes thereof.

- (3) The company shall not be bound to circulate any statement as required by clause(b) of sub-section (1), if on the application either of the company or of any other person who claims to be aggrieved, the Central Government, by order, declares that the rights conferred by this section are being abused to secure needless publicity for defamatory matter.
- (4) An order made under sub-section (3) may also direct that the cost incurred by the company by virtue of this section shall be paid to the company by the requisitionists, notwithstanding that they are not parties to the application.

## **VOTES OF MEMBERS**

### **VOTES MAY BE GIVEN BY PROXY OR ATTORNEY**

119. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate, also by a representative duly authorised under section 113 of the Act.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

## **VOTES OF MEMBERS**

120. (1) Subject to the provisions of section 43 and sub-section (2) of section 50, -
- (a) every member of a company limited by shares and holding equity share capital therein, shall have a right to vote on every resolution placed before the company; and
  - (b) his voting right on a poll shall be in proportion to his share in the paid-up equity share capital of the company.

(2) Every member of a company limited by shares and holding any preference share capital therein shall, in respect of such capital, have a right to vote only on resolutions placed before the company which directly affect the rights attached to his preference shares and, any resolution for the winding up of the company or for the repayment or reduction of its equity or preference share capital and his voting right on a poll shall be in proportion to his share in the paid-up preference share capital of the company:

Provided that the proportion of the voting rights of equity shareholders to the voting rights of the preference shareholders shall be in the same proportion as the paid-up capital in respect of the equity shares bears to the paid-up capital in respect of the preference shares:

Provided further that where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

### **RIGHT OF MEMBER TO USE HIS VOTES DIFFERENTLY**

121. On a poll being taken at meeting of the Company, a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not, if he votes, use all his votes or cast in the same way all the votes he uses.

## **REPRESENTATION OF BODY CORPORATE**

122. Pursuant to section 113 a body corporate whether a Company within meaning of the Act or not may, if it is a member or creditor of the Company including being a holder of debentures, may authorize such person by a resolution of its Board of Directors, as it thinks fit, to act as its representative at any meeting of members and creditors of the Company.

## **REPRESENTATION OF THE PRESIDENT OF INDIA OR GOVERNORS**

123. The President of India or the Governor of State if he is a member of the Company 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 A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.

## **RESTRICTION ON EXERCISE OF VOTING RIGHT BY MEMBERS WHO HAVE NOT PAID CALLS**

124. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and/or has exercised its right of lien.

## **RESTRICTION ON EXERCISE OF VOTING RIGHT IN OTHER CASES TO BE VOID**

125. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 124.

## **HOW MEMBER NON-COMPOS MENTIS MAY VOTE**

126. If any member be a lunatic or non-compos mentis, the vote in respect of his share or shares shall be his committee or other legal guardian provided that such evidence of the authority of the person claimed to vote as shall be acceptable by the Board shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.

## **INSTRUMENT OF PROXY**

127. The instrument appointing a proxy shall be in writing 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 an officer or attorney duly authorized by it.

## **INSTRUMENT OF PROXY TO BE DEPOSITED AT OFFICE**

128. The instrument appointing a proxy and the power of attorney or other 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 not less than forty eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument of proxy shall be valid after the expiration of twelve months from the date of its execution.

## **WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED**

129. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the vote is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjournment meeting at which the proxy is used.

### **FORM OF PROXY**

130. Every instrument of proxy, whether for specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

### **TIME FOR OBJECTION TO VOTE**

131. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be so tendered and every vote whether given personally or by proxy and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

### **CHAIRMAN OF ANY MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE**

132. The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

### **MEMBER PAYING MONEY IN ADVANCE NOT BE ENTITLED TO VOTE IN RESPECT THEREOF**

133. 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 or participate in dividend or profits in respect of moneys so paid by him until the same would but for such payment become presently payable

### **DIRECTORS**

134. 1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three nor more than fifteen.
- 2) As on the date of adoption of this Articles of Association, following are the directors of the company:

- 1. VINODKUMAR M THAKER**
- 2. AMITAVA SAMANTA**
- 3. MANMINDERSINGH S MAKHIJA**

### **INCREASE IN NUMBER OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

135. The appointment of the Directors exceeding 15 (fifteen) will be subject to the provisions of Section 149 of the Act.

### **POWER OF DIRECTORS TO APPOINT ADDITIONAL DIRECTORS**

136. The Board of Directors shall have the power to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

### **ALTERNATE DIRECTORS**

137. The Board of Directors shall have the power to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India:

Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act:

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India:

Provided also that if the term of office of the original director is determined before he so returns to India, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.

### **NOMINEE DIRECTORS**

138. The Board shall have the power to appoint any person as a director nominated by any institution in Pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board of Directors at a meeting of the Board:

Provided that any person 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 it had not been vacated.

139. A Director need not hold any qualification shares.

### **REMUNERATION OF DIRECTORS**

140. (1) Subject to the provisions of the Act, a Managing Director or any other Director, who is in the Whole time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

- (2) Subject to the provisions of the Act, a Director who is neither in the Whole-time employment not a Managing Director may be paid remuneration.

(i) by way of monthly, quarterly or annual payment with the approval of the Central Government: or

(ii) by way of commission if the Company by a special resolution authorises such payments.

- (3) The fees payable to Director (including a Managing or whole-time Director, if any) for attending a meeting of the Board or Committee shall be decided by the Board of Directors from time to time, however the amount thereof shall not exceed limit provided in the Companies Act, 2013 and rules, if any, framed there under.

- (4) if any Director be called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as member of any committee formed by the Directors), the Board may arrange with such Directors for such special remuneration for such extra services or special exertions or either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided subject to the provision of Section 197(4) of the Act.



## **INCREASE IN REMUNERATION OF DIRECTORS TO REQUIRE GOVERNMENT SANCTION**

141. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

## **TRAVELLING EXPENSES INCURRED BY A DIRECTOR NOT A BONAFIDE RESIDENT OR BY DIRECTOR GOING OUT ON COMPANY'S BUSINESS**

142. The Board may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board or committee thereof are ordinarily held and who shall come to a such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses, incurred in connection with business of the Company.

## **DIRECTORS MAY ACT NOTWITHSTANDING ANY VACANCY**

143. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as the number is reduced below the quorum fixed by the Act or by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a General Meeting of the Company but for no other purpose.

## **DISCLOSURE OF INTEREST OF DIRECTORS**

144. (1) Every director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding, in such manner as may be determined by central government.
- (2) Every director of a company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into—
- (a) with a body corporate in which such director or such director in association with any other director, holds more than two per cent. shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
  - (b) with a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

- (3) A contract or arrangement entered into by the company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

A contract or arrangement entered into by the company without disclosure under sub-section (2) or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

- (4) Nothing in this Article-

- (a) shall be taken to prejudice the operation of any rule of law restricting a director of a company from having any concern or interest in any contract or arrangement with the company;
- (b) shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of the one company or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company.

#### **INTERESTED DIRECTOR NOT TO PARTICIPATE OR VOTE ON BOARD'S PROCEEDINGS**

145. No Director of the Company shall, as Director, take any part in the discussion of or vote on any contract or arrangement 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 the contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote his vote shall be void, provided however that Directors may vote on 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 surety for the Company.

#### **BOARD'S SANCTION TO BE REQUIRED FOR CERTAIN CONTRACTS IN WHICH PARTICULAR DIRECTOR IS INTERESTED**

146. (1) Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, the Company, shall not enter into any contract with a Related Party in contravention of Section 188 of the Act and the Rules made thereunder-
- (i) for the sale, purchase or supply of any goods, materials or services; or
  - (ii) selling or otherwise disposing of, or buying, property of any kind;
  - (iii) leasing of property of any kind;
  - (iv) availing or rendering of any services;
  - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
  - (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
  - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company;
- (2) Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act. (S.188 (3))

- (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) 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 date on which it was entered into or such other period as may be prescribed under the Act.
- (5) If the 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.

### **SPECIAL DIRECTOR**

147. 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 “collaborator” 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.

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.

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.

### **DIRECTORS’ SITTING FEES**

148. 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 as may be determined by central government 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.

### **DIRECTORS AND MANAGING DIRECTOR MAY CONTRACT WITH COMPANY**

149. 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 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 188 of the Act and in this respect all the provisions of Section 179, 180, 184, 185, 186, 188, 189and 196 of the Act shall be duly observed and complied with.

### **DISQUALIFICATION OF THE DIRECTOR**

150. (I) A person shall not be eligible for appointment as a director of a company, if –
  - (a) he is of unsound mind and stands so declared by a competent court;

- (b) he is an undischarged insolvent;
- (c) he has applied to be adjudicated as an insolvent and his application is pending;
- (d) he has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:  
 Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (e) an order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
- (f) he has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
- (g) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or he has not complied with sub-section (3) of section 152.

(2) No person who is or has been a director of a company which –

- (a) has not filed financial statements or annual returns for any continuous period of three financial years; or
- (b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so.

#### **DIRECTORS VACATING OFFICE**

151. The office of a Director shall be vacated if :

- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
- (ii) he applied to be adjudicated an insolvent;
- (iii) he is adjudicated an insolvent;
- (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) 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 Notification in the Official Gazette removes the disqualification incurred by such failure;
- (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (vii) he is removed in pursuance of Section 169 of Act;
- (viii) having been appointed 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;
- (ix) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;

- (x) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.

#### **DIRECTOR MAY BE DIRECTOR OF COMPANIES PROMOTED BY THE COMPANY**

152. Subject to provisions of Section 203 of the Act, 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 Act may be applicable.

### **RETIREMENT AND ROTATION OF DIRECTORS**

#### **RETIREMENT OF DIRECTORS BY ROTATION**

153. (1) (a) At every Annual General Meeting, not less than two-thirds of the total number of directors of a company shall -

(i) be persons whose period of office is liable to determination by retirement of directors by rotation; and

(ii) save as otherwise expressly provided in this Act, be appointed by the company in general meeting.

(b) The remaining directors in the case of any such company shall, in default of, and subject to any regulations in the articles of the company, also be appointed by the company in general meeting.

(c) At the first annual general meeting of a public company held next after the date of the general meeting at which the first directors are appointed in accordance with clauses (a) and (b) and at every subsequent annual general meeting, one-third of such of the directors for the time being as are liable to retire by rotation, or if their number is neither three nor a multiple of three, then, the number nearest to one-third, shall retire from office.

(d) The directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(e) At the annual 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.

(2)(a) If the vacancy of the 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 national holiday, till the next succeeding day which is not a holiday, at the same time and place.

(b) If at the adjourned meeting also, the vacancy of the retiring director is not filled up and that 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—

1. at that meeting or at the previous meeting a resolution for the re-appointment of such director has been put to the meeting and lost;
2. 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;
3. he is not qualified or is disqualified for appointment;
4. a resolution, whether special or ordinary, is required for his appointment or re- appointment by virtue of any provisions of this Act; or

5. section 162 is applicable to the case.

### **APPOINTMENT OF DIRECTOR TO BE VOTE INDIVIDUALLY**

154. (1) At a general meeting of a company, a motion for the appointment of two or more persons as directors of the company by a single resolution shall not be moved unless a proposal to move such a motion has first been agreed to at the meeting without any vote being cast against it.
- (2) A resolution moved in contravention of sub-section (1) shall be void, whether or not any objection was taken when it was moved.
- (3) A motion for approving a person for appointment, or for nominating a person for appointment as a director, shall be treated as a motion for his appointment.
155. (1) A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be determined by central government which shall be refunded to such person or, as the case may be, to the member, if the person proposed get selected 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.
- (2) The company shall inform its members of the candidature of a person for the office of director under sub-section (1) in such manner as may be determined by central government.

### **RESIGNATION OF DIRECTOR**

156. (1) A director may resign from his office by giving a notice in writing to the company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner, within such time and in such form as may be determined by central government and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company.
- Provided that a director shall also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within thirty days of resignation in such manner as may be determined by central government.
- (2) The resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later:
- Provided that the director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.
- (3) Where all the directors of a company resign from their offices, or vacate their offices under Section 167 of the Act, the promoter or, in his absence, the Central Government shall appoint the required number of directors who shall hold office till the directors are appointed by the company in general meeting.

## **REGISTER OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND NOTIFICATION OF**

### **CHANGES TO REGISTRAR**

157. The Company shall keep at its registered office, a Register of Director, Managing Director, Manager and Secretary and key managerial personnel of the Company containing the particulars as required by Section 170 of the Act and shall send to the Registrar a return in the prescribed form containing the particulars specified in the said register and shall notify to the Registrar any change among its Directors, Managing Directors, Manager, Secretary and key managerial personnel or any of the particulars contained in the register as required by Section 170 of the Act.

## **APPOINTMENT OF TECHNICAL OR EXECUTIVE DIRECTORS**

158. 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.
- b) Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

## **REMOVAL OF DIRECTORS**

### **REMOVAL OF DIRECTORS**

159. (1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

(2) A special notice shall be required of any resolution, to remove a director under this section, or to appoint somebody in place of a director so removed, at the meeting at which he is removed.

(3) On receipt of notice of a resolution to remove a director under this section, the company shall forthwith send a copy thereof to the director concerned, and the director, whether or not he is a member of the company, shall be entitled to be heard on the resolution at the meeting.

(4) Where notice has been given of a resolution to remove a director under this section and the director concerned makes with respect thereto representation in writing to the company and requests its notification to members of the company, the company shall, if the time permits it to do so,—

(a) in any notice of the resolution given to members of the company, state the fact of the representation having been made; and

(b) send a copy of the representation to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representation by the company), and if a copy of the representation is not sent as aforesaid due to insufficient time or for 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:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.

(5) A vacancy created by the removal of a director under this section may, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-section (2).

(6) A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.



(7) If the vacancy is not filled under sub-section (5), it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be re-appointed as a director by the Board of Directors.

(8) Nothing in this section shall be taken -

- (a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or
- (b) as derogating from any power to remove a director under other provisions of this Act.

### **ELIGIBILITY FOR RE-ELECTION**

160. A retiring Director shall be eligible for re-election.

### **PROCEEDINGS OF DIRECTORS**

#### **MEETINGS OF BOARD**

161. (1) A minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board:

Provided that the Central Government may, by notification, direct that the provisions of this sub-section shall not apply in relation to any class or description of companies or shall apply subject to such exceptions, modifications or conditions as may be specified in the notification.

(2) The participation of directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be determined by central government, which are capable of recording and recognising the participation of the directors and of recording and storing the proceedings of such meetings along with date and time:

Provided that the Central Government may, by notification, specify such matters which shall not be dealt with in a meeting through video conferencing or other audio visual means.

(3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the company and such notice shall be sent by hand delivery or by post or by electronic means:

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting: Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any. Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

### **QUORUM**

162. (1) The quorum for a meeting of the Board of Directors of a company shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this sub-section.

(2) The continuing directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company and for no other purpose.

(3) Where at any time the number of interested directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of directors who are not interested directors and present at the meeting, being not less than two, shall be the quorum during such time.

(4) Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday till the next succeeding day, which is not a national holiday, at the same time and place.

#### **DECISION OF QUESTIONS**

163. Subject to the provisions of the Act, question arising at any meeting of the Board shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

#### **BOARD MAY APPOINT CHAIRMAN, CO-CHAIRMAN AND VICE CHAIRMAN**

164. The Board may elect a Chairman, a Co-Chairman and a Vice Chairman of their Meetings and of the Company and determine the period for which he is to hold office. The Chairman or in his absence the Co-Chairman or the Vice Chairman shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary, or if there be no such Chairman or Co-Chairman or Vice Chairman of the Board of Directors, or if at any Meeting neither of these shall be present within fifteen minutes of the time appointed for holding such Meeting, the Directors present may choose one of their members to be the Chairman of the Meeting of their meetings and determine the period for which he is to hold office, but if no such Chairman is elected or if at any meeting the Chairman is not present within ten minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the Meeting.

#### **POWER OF BOARD MEETING**

165. A meeting of the Board 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 are for the time being vested in or exercisable by the Board generally.
166. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of its power to a Committee of the Board consisting of such member or members of its body or any other person as it thinks fit and it may from time to time revoke and discharge any such committee of the Board so formed, shall in the exercise of the power so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

#### **MEETING OF THE COMMITTEE HOW TO BE GOVERNED**

167. The meeting and proceedings of any such Committee of the Board consisting of two or more persons shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

#### **DEFECTS IN APPOINTMENT OF DIRECTORS NOT TO INVALIDATE ACTIONS TAKEN**

168. No act done by a person as a director shall be deemed to be invalid notwithstanding that it was subsequently noticed that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in this Act or in the articles of the company:

Provided that nothing in this section shall be deemed to give validity to any act done by the director after his appointment has been noticed by the company to be invalid or to have terminated.

#### **PASSING OF RESOLUTION BY CIRCULATION**

169. (1) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any,

to all the directors, or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be determined by central government and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

- (2) A resolution under sub-section (1) above shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

### **SPECIAL NOTICE**

170. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent. of total voting power or holding shares on which such aggregate sum not exceeding five lakh rupees, as may be prescribed, has been paid-up, not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and 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.

### **GENERAL POWERS OF THE BOARD**

171. (1) The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do:

Provided that in exercising such power or doing such act or thing, the Board shall be subject to the provisions contained in that behalf in this Act, or in the memorandum or articles, or in any regulations not inconsistent therewith and duly made there under, including regulations made by the company in general meeting:

Provided further that the Board shall not exercise any power or do any act or thing which is directed or required, whether under this Act or by the memorandum or articles of the company or otherwise, to be exercised or done by the company in general meeting.

- (2) 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.

### **CERTAIN POWERS TO BE EXERCISED BY THE BOARD ONLY AT MEETINGS**

172. The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely: -

- (a) to make calls on shareholders in respect of money unpaid on their shares;
- (b) to authorize buy-back of securities under section 68;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow monies;
- (e) to invest the funds of the company;
- (f) to grant loans or give guarantee or provide security in respect of loans;

- (g) to approve financial statement and the Board's report;
- (h) to diversify the business of the company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) to make political contributions;
- (l) to appoint or remove key managerial personnel (KMP);
- (m) to take note of appointment(s) or removal(s) of one level below the Key Managerial Personnel;
- (n) to appoint internal auditors and secretarial auditor;
- (o) to take note of disclosure of director's interest and shareholding;
- (p) to buy, sell investments held by the company (other than trade investments) constituting five percent or more of the paid up share capital and free reserve of the investee company;
- (q) to invite and accept or renew public deposits and related matters;
- (r) to review or change the terms and conditions of public deposit;
- (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be. Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the powers specified in clauses (d) to (f) on such conditions as it may specify:

Nothing in this section shall be deemed to affect the right of the company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified in this section.

### **RESTRICTIONS ON POWERS OF BOARD**

173. (1) The Board of Directors of a company shall exercise the following powers only with the consent of the company by a special resolution, namely: -
- (a) to 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 of such undertakings.
  - (b) to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
  - (c) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business:  
 Provided that the acceptance by a banking company, in the ordinary course of its business, of deposits of money from the public, repayable on demand or otherwise and with drawables by cheque, draft, order or otherwise, shall not be deemed to be a borrowing of monies by the banking company within the meaning of this clause
  - (d) to remit, or give time for the repayment of, any debt due from a director.
- (2) Every special resolution passed by the company in general meeting in relation to the exercise of the powers referred to in clause (c) of sub-section (1) shall specify the total amount up to which monies may be borrowed by the Board of Directors.
- (3) Nothing contained in clause (a) of sub-section (1) shall affect –

(a) the title of a buyer or other person who buys or takes on lease any property investment or undertaking as is referred to in that clause, in good faith; or

(b) the sale or lease of any property of the company where the ordinary business of the company consists of, or comprises, such selling or leasing.

(4) Any special resolution passed by the company consenting to the transaction as is referred to in clause

(a) of sub-section (1) may stipulate such conditions as may be specified in such resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transactions:

Provided that this sub-section shall not be deemed to authorise the company to effect any reduction in its capital except in accordance with the provisions contained in this Act.

(5) No debt incurred by the company in excess of the limit imposed by clause (c) of sub-section (1) 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 that clause had been exceeded.

### **POWER TO BORROW**

174. Subject to the provisions of Sections 73 and 180 of the Act, the Board may, from time to time at its discretion and by means of resolutions passed at its meeting accept deposits from members either in advance of calls or otherwise and generally, raise or borrow or secure the payment or any sum or sums of money for the purposes of the Company.

175. All the provisions applicable to nomination facility available to shareholder(s) and debenture holder(s) enumerated in these Articles shall equally apply to deposit holder(s) and the provisions of Section 72 of the Act shall also apply.

### **THE PAYMENT OR REPAYMENT OF MONEYS BORROWED**

176. 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**

177. 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 condition and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

### **CONDITION ON WHICH MONEY MAY BE BORROWED**

178. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, perpetual or redeemable debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being. The Board shall exercise such power only by means of resolutions passed at its meetings and not by circular resolutions.

## **TERMS OF ISSUE OF DEBENTURES**

179. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

### **DEBENTURES WITH VOTING RIGHTS NOT BE ISSUED**

180. (1) A company may issue debentures with an option to convert such debentures into shares, either wholly or partly at the time of redemption:

Provided that the issue of debentures with an option to convert such debentures into shares, wholly or partly, shall be approved by a special resolution passed at a general meeting.

(2) No company shall issue any debentures carrying any voting rights.

(3) Secured debentures may be issued by a company subject to such terms and conditions as may be determined by central government.

(4) Where debentures are issued by a company under this section, the company shall create a debenture redemption reserve account out of the profits of the company available for payment of dividend and the amount credited to such account shall not be utilized by the company except for the redemption of debentures.

(5) No company shall issue a prospectus or make an offer or invitation to the public or to its members exceeding five hundred for the subscription of its debentures, unless the company has, before such issue or offer, appointed one or more debenture trustees and the conditions governing the appointment of such trustees shall be such as may be determined by central government.

(6) A debenture trustee shall take steps to protect the interests of the debentureholders and redress their grievances in accordance with such rules as may be determined by central government.

(7) Any provision contained in a trust deed for securing the issue of debentures, or in any contract with the debenture-holders secured by a trust deed, shall be void in so far as it would have the effect of exempting a trustee thereof from, or indemnifying him against, any liability for breach of trust, where he fails to show the degree of care and due diligence required of him as a trustee, having regard to the provisions of the trust deed conferring on him any power, authority or discretion:

Provided that the liability of the debenture trustee shall be subject to such exemptions as may be agreed upon by a majority of debenture-holders holding not less than threefourths in value of the total debentures at a meeting held for the purpose.

(8) A company shall pay interest and redeem the debentures in accordance with the terms and conditions of their issue.

(9) Where at any time the debenture trustee comes to a conclusion that the assets of the company are insufficient or are likely to become insufficient to discharge the principal amount as and when it becomes due, the debenture trustee may file a petition before the Tribunal and the Tribunal may, after hearing the company and any other person interested in the matter, by order, impose such restrictions on the incurring of any further liabilities by the company as the Tribunal may consider necessary in the interests of the debenture-holders.

(10) Where a company fails to redeem the debentures on the date of their maturity or fails to pay interest on the debentures when it is due, the Tribunal may, on the application of any or all of the debenture-holders, or debenture trustee and, after hearing the parties concerned, direct, by order, the company to redeem the debentures forthwith on payment of principal and interest due thereon.

(11) If any default is made in complying with the order of the Tribunal under this section, every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.

(12) A contract with the company to take up and pay for any debentures of the company may be enforced by a decree for specific performance.

(13) The Central Government may prescribe the procedure, for securing the issue of debentures, the form of debenture trust deed, the procedure for the debenture-holders to inspect the trust deed and to obtain copies thereof, quantum of debenture redemption reserve required to be created and such other matters.

#### **EXECUTION OF INDEMNITY**

181. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board 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 against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or surety for the company.

#### **CERTAIN POWERS OF THE BOARD**

182. Without prejudice to the general powers conferred by these Articles and so as not in any way to limit or restrict those powers, but subject however to the provisions of the Act, it is hereby expressly declared that the Board shall have the following powers:

- 1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment, and registration of the Company.
- 2) Subject to Sections 179 and 188 and other applicable provisions of the Act, to purchase or otherwise acquire for the Company any property, movable or immovable, rights 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 Board may believe or may be advised to be reasonably satisfactory.
- 3) At its discretion and subject to the provisions of the Act, to pay for any property, rights, privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, 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 fully 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 including its uncalled capital or not so charged.
- 4) To secure the fulfillment of any contracts, agreements or engagements 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.
- 5) To appoint and at its discretion, remove or suspend, such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as it may from time to time think fit and to determine their power and duties and fix their salaries, emoluments remuneration and to require security in such instances and of such amounts as it may think fit.
- 6) To accept from any member subject to the provisions of the Act, a surrender of his share or any part thereof on such terms and condition as shall be agreed.
- 7) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or 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 such trust and to provide for the remuneration of such trustee or trustees.
- 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 or any claims or demands by or against the Company and to refer any difference to arbitration and observe and perform the terms of any awards made therein either according to Indian Law or according to Foreign Law and either in India or abroad and observe and perform or challenge any award made therein.

- 9) To refer any claims or demands by or against the Company or any difference to arbitration and observe and perform the awards.
- 10) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- 11) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- 12) To open and operate Bank Accounts, 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 purposes.
- 13) Subject to the provisions of the Act and these Articles from time to time to provide for the management of the affairs of the Company in or outside India in such manner as it may think fit and in particular to appoint any person to be the attorneys or agents of the Company with such person (including the power to sub-delegate) and upon such terms as may be thought fit.
- 14) Subject to the provisions of Sections 179, 180, 185 of Act and other applicable provisions of the Act and these Articles, to invest and deal with the moneys of the Company not immediately required for the purpose thereof in or upon such security (not being shares in this Company) or without security and in such manner as it may think fit and from time to time to vary or realize such investments save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.
- 15) 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 for the benefit of the Company, such mortgages of the Company's property (present and future) as it thinks fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.
- 16) 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 working expenses of the Company.
- 17) To provide for the welfare of employees or ex-employees of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, gratuity, annuities, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to, provident fund and other associations institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction or recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- 18) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public and general utility or otherwise.
- 19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as it may think proper for depreciation or to a depreciation fund or to an insurance fund or as a reserve fund or sinking fund or any special fund to meet contingencies to repay debentures or for debenture-stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the last two preceding clauses) as the Board of Directors, may in its absolute discretion think conducive to the interest of the Company and subject to Section 292 of the Act to invest the several sums so set aside or so much thereof as is required to be invested, upon such investments (other than shares of this Company) as it may think fit and from time to time deal with and vary such investments and dispose off and apply and expend all or any part thereof for the benefit of the Company, in such manner & for such purposes as the Board of

Directors in its absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Board of Directors applies or upon which it expends the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the general reserve fund into such special funds as the Board of Directors may think fit with full power to transfer the whole or any portion of a reserve fund or division of reserve fund to another reserve fund and with full power to employ the asset 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 debentures or debenture-stock and that 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 of Directors at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board of Directors may think proper.

- 20) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of the Act and of the provision contained in these presents.
- 21) From time to time make, vary and repeal by-laws for regulation of the business of the Company, its officers and servants.
- 22) To redeem redeemable preference shares.
- 23) Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter in to 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.
- 24) To undertake any branch or kind of business which the company is expressly or by implication authorized to undertake at such time or times as it shall think fit and to keep in abeyance any such branch or kind of business even though it may have been actually commenced or not, so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

#### **APPOINTMENT OF INDEPENDENT DIRECTOR**

183. Pursuant to section 149 and rules as may be applicable and subject to the provisions of Schedule IV the company shall appoint such number of independent directors from time to time as may be determined by central government by the Central Government.

Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

Notwithstanding anything contained in any other provision of this Act, but subject to the provisions of sections 197 and 198, an independent director shall not be entitled to any stock option and may receive remuneration by way of fee provided under sub-section (5) of section 197, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the members.

Subject to the provisions of section 152, an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for reappointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

Notwithstanding anything contained in this Act –

- (i) an independent director;
- (ii) a non-executive director not being promoter or key managerial personnel,

shall be held liable, only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

The provisions of sub-sections (6) and (7) of section 152 in respect of retirement of directors by rotation shall not be applicable to appointment of independent directors.

## **KEY MANAGERIAL PERSONNEL**

### **APPOINTMENT OF KEY MANAGERIAL PERSONNEL**

184. (1) Subject to the provisions of Sections 203 and other applicable provisions, if any of the Act, Company shall appoint whole-time key managerial personnel by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

- (2) A whole-time key managerial personnel shall not hold office in more than one company except in its subsidiary company at the same time:

Provided that nothing contained in this sub-clause shall disentitle a key managerial personnel from being a director of any company with the permission of the Board:

Provided further that whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of six months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel:

Provided also that a company may appoint or employ a person as its managing director, if he is the managing director or manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

- (3) If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

### **REMUNERATION OF KEY MANAGERIAL PERSONNEL**

185. The remuneration of Key Managerial Personnel shall from time to time, be fixed by the Board and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Schedule V along with Sections 196 and 197 of the Act.

### **DIRECTORS MAY CONFER POWER ON MANAGING DIRECTOR**

186. Subject to the provisions of the Act and to the restrictions contained in these Articles, Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable by the Board under these Articles as it 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 it thinks expedient.

### **CERTAIN PERSONS NOT TO BE APPOINTED AS MANAGING DIRECTORS**

187. No company shall appoint or continue the employment of any person as managing director, whole-time director or manager who -

(a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

(b) is an undischarged insolvent or has at any time been adjudged as an insolvent;

(c) has at any time suspended payment to his creditors or makes, or has at anytime made, a composition with them; or

(d) has at any time been convicted by a court of an offence and sentenced for a period of more than six months.

A person shall not be eligible for appointment as a director of a company if such person suffers any of the disqualifications provided under Section 164 of the Act.

188. Special to any contract between him and the Company, a Managing or Wholtime 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.

189. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely:-

a) Managing Director and

b) Manager.

and shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

#### **THE SECRETARY**

190. The Board may, from time to time, appoint and at its discretion, remove any individual (hereinafter called the Secretary) to perform any function 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 Board. The Board may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall conform to the provisions of Section 203 of the Act.

#### **THE SEAL, ITS CUSTODY AND USE**

191. The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and shall provide for the safe custody of the Seal for time being and the Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least two Director or such other person as the Directors may appoint for the purpose and the Directors or other persons aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

#### **MINUTES**

192. (1) The Company shall cause minutes of all proceedings of every General Meeting and all proceedings of every meeting of its Board of /directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that, their pages consecutively numbered.

(2) Each page of every such book 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.

(a) in the case of minutes of proceedings of a meeting of the Board or of a committee thereof, by the Chairman of the next succeeding meeting.

(b) In the case of minutes of proceedings of a General Meeting, by the chairman of the same

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.

193. Minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board kept in accordance with the provisions of Article 198 above, shall be evidence of the proceedings recorded therein.
194. Where minutes of the proceedings of every General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of article 199 above then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be Valid.
195. (1) The books containing the minutes of the proceedings of any General Meeting of the Company shall
  - be kept at the registered office of the Company and shall be open for inspection of members without charge between the hours 2 p.m. and 5 p.m. during business hours on each working day except Saturday
  - (2) Any member of the Company shall be entitled to be furnished, within seven days after he has made a request in writing in that behalf to the Company, with a copy of any minutes referred above on payment of such sum not exceeding Ten Rupees for every page thereof required to be copied.
  - (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
  - (4) The minutes of different meetings shall contain a fair and correct summary of proceedings thereat.
  - (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
  - (6) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain -
    - (a) the names of the directors present at the meeting; and
    - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
  - (7) Nothing contained in clauses (1) to (6) there shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting -
    - (c) is or could reasonably be regarded as defamatory of any person; or
    - (d) is irrelevant or immaterial to the proceedings; or
    - (e) is detrimental to the interests of the company.

The Chairman shall exercise and absolute discretion in regard to the inclusion or non-inclusion of any matters in the minutes on the grounds specified in this clause.

#### **PRESUMPTIONS TO BE DRAWN WHERE MINUTES DULY DRAWN AND SIGNED.**

196. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

## **DIVIDENDS**

197. (1) No dividend shall be declared or paid by a company for any financial year except –
- (a) out of the profits of the company for that year arrived at after providing for depreciation or out of the profits of the company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both; or
  - (b) out of money provided by the Central Government or a State Government for the payment of dividend by the company in pursuance of a guarantee given by that Government:

Provided that a company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company:

Provided further that where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be determined by central government in this behalf:

Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.

- (2) The depreciation shall be provided in accordance with the provisions of Schedule II of the act.
- (3) The Board of Directors of a company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared:  
Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.
- (4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.
- (5) No dividend shall be paid by a company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash:  
  
Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a 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 the members of the company:  
  
Provided further that any dividend payable in cash may be paid by cheque or warrant or in any electronic mode to the shareholder entitled to the payment of the dividend.
- (6) A company which fails to comply with the provisions of sections 73 and 74 shall not, so long as such failure continues, declare any dividend on its equity shares.

## **DIVIDEND TO JOINT HOLDERS**

198. 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.
199. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

No amount paid or credited as paid on a share in advance of calls shall be treated as paid up on the share.

#### **APPORTIONMENT OF DIVIDENDS**

200. All dividends shall be apportioned and paid proportionate to the amounts paid or credited as paid on the shares, during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

#### **DECLARATION OF DIVIDENDS**

201. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declared a dividend to be paid to the members according to their right and interests in the profits and may fix the time for payment.

#### **RESTRICTION ON AMOUNT OF DIVIDEND**

202. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

#### **DIVIDEND OUT OF PROFITS ONLY AND NOT TO CARRY INTEREST**

203. (1) No dividend shall be payable except out of the profits of the Company arrived at as stated in Section 123 of the Act.
- (2) The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

#### **INTERIM DIVIDENDS**

204. The Board of Directors may from time to time pay the members such interim dividends as appears to it to be justified by the profits of the Company in accordance with Section 123 of the Act.

#### **DEBTS MAY BE DEDUCTED**

205. The Board may retain any dividends payable on shares 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 lien exists.

#### **DIVIDEND AND CALL TOGETHER**

206. Any General Meeting declaring an dividend may make a call on the members of such amount as the meeting fixes but so that the call on each members shall not exceed the dividend payable on him and so that the call may be made payable at the same time as the dividend and dividend may; if so arranged between the Company and the member, be set off against the call.

#### **EFFECT OF TRANSFER**

207. Right to dividend, right shares and bonus shares shall be held in abeyance pending registration of transfer of shares in conformity with the provision of Section 126 of the Act.

#### **RETENTION IN CERTAIN CASES**

208. The Board may retain the dividends payable upon share in respect of which any person is under Articles entitled to become a member of which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.



**NO MEMBER TO RECEIVE INTEREST OR DIVIDEND WHILST INDEBTED TO THE COMPANY  
AND COMPANY'S RIGHT TO REIMBURSEMENT THERE OUT**

209. No member shall be entitled to receive payment of an interest or dividend in respect of his own share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares otherwise howsoever either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any shareholder all sums or money so due from him to the Company.

**PAYMENT BY POST**

210. Any dividend payable in cash may be paid by cheque or warrant sent through the post directly to the registered address of the shareholder entitled to the payment of the dividend or in the case of joint shareholders to the registered address of that one whose name stands first on the Register of Members in respect of the joint shareholding or to such persons and to such address as the shareholders of the joint shareholders may in writing direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent and the Company shall not be responsible or liable for any cheque or warrant lost in transit or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means. The Company may, if it thinks fit, call upon the shareholders when applying for dividends or bonus to produce their share certificates at the registered office or other place where the payment of dividend is to be made.

**DIVIDEND TO BE PAID WITHIN THIRTY DAYS**

211. The Company shall pay dividend or send the warrant in respect thereof to the shareholder entitled to the payment of the dividend within Thirty days from the date of the declaration of the dividend unless:
- (a) the dividend could not be paid by reason of the operation of any law or
  - (b) a shareholder has given directions to the Company regarding the payment of dividend and these directions can not be complied with or
  - (c) there is dispute, regarding the right to receive the dividend or
  - (d) the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder or
  - (e) 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**

212. (1) Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration to any shareholder entitled to the payment of the 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 to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account.
- (2) The company shall, within a period of ninety days of making any transfer of an amount under sub-section (1) to the Unpaid Dividend Account, prepare a statement containing the names, their last known addresses and the unpaid dividend to be paid to each person and place it on the website of the company, if any, and also on any other website approved by the Central Government for this purpose, in such form, manner and other particulars as may be determined by central government.
- (3) If any default is made in transferring the total amount referred to in sub-section (1) or any part thereof to the Unpaid Dividend Account of the company, it shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent. per annum and the interest accruing on such amount shall endure to the benefit of the members of the company in proportion to the amount remaining unpaid to them.
- (4) Any person claiming to be entitled to any money transferred under sub-section (1) to the Unpaid Dividend Account of the company may apply to the company for payment of the money claimed.

(5) Any money transferred to the Unpaid Dividend Account of a company in pursuance of this section which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the company along with interest accrued, if any, thereon to the Fund established under sub-section (1) of section 125 and the company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said Fund and that authority shall issue a receipt to the company as evidence of such transfer.

(6) All shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) shall also be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be determined by central government and that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law:

Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be determined by central government.

### **CAPITALIZATION OF RESERVES**

213. (a) Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undistributed profits of the Company standing to the credit of any of the profit and loss account or any capital redemption reserve fund or in hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the share premium account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund shall not be paid in cash but shall be applied subject to the provisions contained in clause (b) hereof on behalf of such shareholders in full or towards:
- (1) Paying either at par or at such premium as the resolution may provide any unissued shares or debentures or debenture-stock of the Company which shall be allotted, distributed and credited as fully paid up to and amongst such members in the proportions aforesaid; or
  - (2) Paying up any amounts for the time being remaining unpaid on any shares or debentures or debenture-stock held by such members respectively; or
  - (3) Paying up partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (2) and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.
- (b) (1) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of share premium account; and
- (2) If the Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may, by resolution of the Company be applied only in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares to be issued to such members of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.
- (c) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income-tax be distributed amongst the members on the footing that they receive the same as capital.
- (d) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution of payment as aforesaid as it thinks expedient and in particular it may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, share, debentures, debenture-stock, bonds or other obligation in trustees upon such trust for the persons entitled thereto as may seem expedient to the Board and generally may make such

arrangement for acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as it may think fit.

- (e) If and whenever any share becomes held by any member in fraction, the Board may subject to the provisions of the Act and these Articles and to the directions of the Company in General Meeting, if any, sell the shares which members hold in fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion the net proceeds of the sale thereof, for the purpose of giving effect to any such sale, the Board may authorize any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or of invalidity in the proceedings with reference to the sale.
- (f) Where required; a proper contract shall be delivered to the Registrar for registration in accordance with Section 39 of the Companies Act 2013 and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

### **FRACTIONAL CERTIFICATES**

214. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and
  - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
- (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also
  - (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalization or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.
- (3) Any agreement made under such authority shall be effective and binding on all such Members.
- (4) that for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

### **DIVIDEND IN CASH**

215. No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization 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.
216. The Board shall give effect to the resolution passed by the Company in pursuance of all the above Articles.

### **BOOKS OF ACCOUNTS**

#### **BOOKS OF ACCOUNTS TO BE KEPT**

217. The Company shall cause to be kept proper books of account with respect to:
- (i) all sums of money received and expended by a company and matters in relation to which the receipts and expenditure take place;

- (ii) all sales and purchases of goods and services by the company;
- (iii) the assets and liabilities of the company; and
- (iii) the items of cost as may be determined by central government under section 148 in the case of a company which belongs to any class of companies specified under that section;

### **BOOKS WHERE TO BE KEPT AND INSPECTION**

218. (1) Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

All or any of the books of account aforesaid and other relevant papers may be kept at such other place in India as the Board of Directors may decide and where such a decision is taken, the company shall, within seven days thereof, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode in such manner as may be determined by central government.

- (2) Where a company has a branch office in India or outside India, it shall be deemed to have complied with the provisions of sub-clause (1), if proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarized returns periodically are sent by the branch office to the company at its registered office or the other place referred to in sub-clause (1).
- (3) The books of account of every company relating to a period of not less than eight financial years immediately preceding a financial year, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.
- (4) The Company may keep such books of accounts or other relevant papers in electronic mode in such manner as may be prescribed.

### **INSPECTION BY MEMBERS**

219. The Board of Directors shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations accounts and books and the documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred statute or authorised by the Board of Directors or by a resolution of the Company in General Meeting.

### **TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED**

220. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situated, to close the Transfer books, the Register of members or Register of debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

If the transfer books have not been closed at any time during a year, the Company shall at least once a year, close the books at the time of its Annual General Meeting. The minimum time gap between the two book closures and/or record dates would be at least 30 (thirty) days.

## **STATEMENT OF ACCOUNTS TO BE LAID IN GENERAL MEETING**

221. The Board of Directors shall from time to time, in accordance with Sections 129 and 134 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profits & Loss Accounts and reports as are required by these Sections.

## **FINANCIAL STATEMENT**

222. Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit. So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.

If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

## **AUTHENTICATION OF FINANCIAL STATEMENT**

223. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

## **BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENT**

224. Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder. The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest. The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report. The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 229. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with. Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

## **RIGHT OF MEMBERS TO COPIES OF FINANCIAL STATEMENT AND AUDITOR'S REPORT**

225. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice

of general meeting of the Company sent to him and whose address the Company is unaware;

(b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

#### **A COPY OF THE FINANCIAL STATEMENT ETC. TO BE FILED WITH REGISTRAR**

226. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

#### **RIGHT OF MEMBER TO COPIES OF AUDITED FINANCIAL STATEMENT**

227. (1) Without prejudice to the provisions of section 101, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements, which are to be laid before a company in its general meeting, shall be sent to every member of the company, to every trustee for the debenture-holder of any debentures issued by the company, and to all persons other than such member or trustee, being the person so entitled, not less than twenty-one days before the date of the meeting.

The provisions of this clause shall be deemed to be complied with, if the copies of the documents are made available for inspection at its registered office during working hours for a period of twenty-one days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents, as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting unless the shareholders ask for full financial statements.

The Central Government may prescribe the manner of circulation of financial statements of companies having such net worth and turnover as may be determined by central government and company shall also place its financial statements including consolidated financial statements, if any, and all other documents required to be attached thereto, on its website, which is maintained by or on behalf of the company.

Provided also that every subsidiary or subsidiaries shall -

- (a) place separate audited accounts in respect of each of its subsidiary on its website, if any;
  - (b) provide a copy of separate audited financial statements in respect of each of its subsidiary, to any shareholder of the company who asks for it.
- (2) A company shall allow every member or trustee of the holder of any debentures issued by the company to inspect the documents stated under sub-clause (1) at its registered office during business hours.

#### **ACCOUNTS TO BE AUDITED**

228. (1) Once at least in every year they accounts of the Company shall be examined by one or more Auditors who shall report to the shareholders as to whether the Balance Sheet reflects a true and fair view of the state of affairs of the Company as at that date and the Profit and Loss Account discloses a true and fair view of the profit and loss incurred by the Company during the year under review.
- (2) The appointment, remuneration, rights, powers & duties of the Company's Auditor shall be regulated in accordance with the provision of the Act.

#### **APPOINTMENT OF AUDITORS**

229. (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 143, 145 and 146 of the Act and rules made thereunder.
- (2) The Company shall, at the first 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 and the manner and procedure of selection of auditors by the members of the company at such meeting shall be according to the provisions of the Act.

Provided that the company shall place the matter relating to such appointment for ratification by members at every annual general meeting.

Provided further that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it that the appointment, if made, shall be in accordance with the conditions as may be determined by central government, shall be obtained from the auditor:

Provided also that the certificate shall also indicate whether the auditor satisfies the criteria provided in Section 141:

Provided also that the company shall 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.

- (3) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed shall be reappointed unless:

- (a) he is not disqualified for re-appointment;
- (b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and
- (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.

- (4) The company shall not appoint or reappoint -

- (a) an individual as auditor for more than one term of five consecutive years;
- and (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

- (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.
- (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.

- (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.

#### **POWER OF BOARD TO MODIFY FINAL ACCOUNTS**

230. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in General Meeting shall be conclusive.



## **DOCUMENTS AND NOTICE**

### **SERVICES OF DOCUMENTS ON MEMBER BY COMPANY**

231. Save as provided in this Act or the rules made thereunder for filing of documents with the Registrar in electronic mode, a document may be served on Registrar or any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be determined by central government:

Provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its annual general meeting.

### **SERVICE OF DOCUMENTS ON COMPANY**

232. A document may be served on a company or an officer thereof by sending it to the company or the officer at the registered office of the company by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be determined by central government:

Provided that where securities are held with a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic or other mode.

#### **“Service of documents on the Company”**

233. 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 other mode in accordance with the Act and rules made thereunder.

## **AUTHENTICATION OF DOCUMENTS AND PROCEEDINGS**

234. Save as otherwise expressly provided in the Act, the rules made thereunder and these Articles, a document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorized by the Board in this behalf.

## **REGISTERS AND DOCUMENTS**

### **REGISTERS AND DOCUMENTS TO BE MAINTAINED BY THE COMPANY**

235. The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:
- (a) Register of investments made by the Company but not held in its own name, as required by Section 187(3) of the Act.
  - (b) Register of mortgages and charges as required by Section 85 of the Act.
  - (c) Register and index of Member and debenture holders as required by Section 88 of the Act.
  - (d) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Act.
  - (e) Register of Directors and key managerial personnel and their shareholding under Section 170 of the Act.
  - (f) Register of loans, guarantee, security and acquisition made by the company under Section 186 (9) of the Act.
  - (g) Copies of annual returns prepared under Section 92 of the Act together with the copies of certificates and documents required to be annexed thereto.

## **MAINTENANCE AND INSPECTION OF DOCUMENTS IN ELECTRONIC FORM**

236. Without prejudice to any other provisions of this Act, any document, record, register, minutes, etc.,—
- (a) required to be kept by a company; or
- (b) allowed to be inspected or copies to be given to any person by a company under this Act, may be kept or inspected or copies given, as the case may be, in electronic form in such form and manner as may be determined by the Central Government.

## **INDEMNITY**

237. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **WINDING UP**

### **DISTRIBUTION OF ASSETS**

238. (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.
- (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 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 319 of the Act.
- (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**

239. A Special Resolution sanctioning a sale to any other Company duly passed pursuant to provisions 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

## **SECRECY CLAUSE**

240. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises or works of the Company without the permission of the Board or to require discovery of or any information respecting any detail 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 may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose Secrecy undertaking.
241. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee agents, officer, servant, accountant or other person employed in the business of the Company shall, when required, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individual and in matters relating thereto and shall by such

declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Board or by any meeting of the shareholders, if any or by a Court of Law the person to whom matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

#### **KNOWLEDGE IMPLIED**

242. Each member of the Company, present and future, is to be deemed to join the Company with full knowledge of all the contents of these presents.

## **SECTION X: OTHER INFORMATION**

### **LIST OF MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before this Prospectus), which are or may be deemed to be material have been entered into by or on behalf of the Company. Copies of these contracts together with copies of documents referred under material documents below all of which have been attached to the copy of this Prospectus and have been delivered to the SME platform of BSE Limited and may be inspected at the Registered Office situated at 12, Satyam Mall, near Kameshwar School, Jodhpur Char Rasta, Satellite, Ahmedabad - 380015, Gujarat, India between 10:00 am to 5:00 pm on any working day from the date of this Prospectus until the date of closure of the subscription List.

#### **Material Contracts**

1. Memorandum of Understanding dated August 25, 2016 between our Company and the Lead Manager to the Issue.
2. Memorandum of Understanding dated June 25, 2016 entered into with Karvy Computershare Private Limited to appointing them as the Registrar to the Issue.
3. Market Making Agreement dated August 25, 2016 between our Company, Lead Manager and Market Maker.
4. Underwriting Agreement dated August 25, 2016 between our Company and Underwriter.
5. Copy of tripartite agreement dated July 26, 2016 between NSDL, our Company and Karvy Computershare Private Limited.
6. Copy of tripartite agreement dated July 26, 2016 between CDSL, our Company and Karvy Computershare Private Limited.
7. Public Issue Account Agreement dated September 22, 2016 between our Company, the Lead Manager, Banker to the Issue and Registrar to the Issue.

#### **Material Documents**

8. Memorandum and Articles of Association of our Company as amended from time to time.
9. Copy of Certificate of Incorporation of our Company.
10. Copy of fresh Certificate of Incorporation of our Company dated February 24, 2016 issued by RoC converting Company into Public Limited Company from Private Limited Company.
11. Copy of the resolution passed at the meeting of the Board of Directors held on June 20, 2016 approving the issue.
12. Copy of the resolution passed by the shareholders of our Company under section 62(1) (c) at the Extra Ordinary General Meeting held on July 15, 2016.
13. Consents of the Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Lead Manager to the Issue, Underwriter, Market Maker, Banker to the Issue, Registrar to the Issue, Bankers to the Company and Legal Advisor to the Issue to include their names in this Prospectus to act in their respective capacities.
14. Copies of Annual Reports of our Company for the preceding financial years viz. 2011-12, 2012-13, 2013-14, 2014-2015 and 2015-16.
15. Audit report and restated financial information issued by M/s. A D V & Associates, Chartered Accountants, dated August 30, 2016 included in this Prospectus.

16. Letter dated August 30, 2016 from the Peer Review Auditor of our Company, M/s A D V & Associates., Chartered Accountants, detailing the tax benefits.
17. Copy of certificate from the Statutory Auditor of our Company, M/s Dhaval Padiya and Co., Chartered Accountants, dated September 01, 2016 regarding the sources and deployment of funds as on August 27, 2016.
18. Due Diligence Certificate dated September 12, 2016 submitted to BSE and Due Diligence Certificate dated September 23, 2016 to be submitted to SEBI from Lead Manager viz. Guinness Corporate Advisors Private Limited along with the filing of this Prospectus.
19. Copy of approval from BSE vide letter dated September 22, 2016 to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.
20. Copy of EGM resolution dated January 27, 2016 appointing Mr. Vinodkumar M Thaker as the Managing Director of our Company for period of 5 years w.e.f. January 27, 2016.

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 the other parties, with the permission of shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

### **DECLARATION**

All the relevant provisions of the Companies Act, 1956, Companies Act, 2013 (to the extent notified) and the guidelines issued by the Government of India or the regulations 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, 1956, Companies Act, 2013 (to the extent notified) the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

#### **SIGNED BY ALL THE DIRECTORS OF OUR COMPANY:**

<b>Vinodkumar M. Thaker</b> Managing Director DIN: 00410719	<b>Sd/-</b>
<b>Amitava Samanta</b> Whole Time Director DIN: 01364873	<b>Sd/-</b>
<b>Dhanpreetkaur Makhija</b> Non-Executive Director DIN: 07424433	<b>Sd/-</b>
<b>Manohar Bharatbhai Chunara</b> Non Executive and Independent Director DIN: 07280916	<b>Sd/-</b>
<b>Shankar Prasad Bhagat</b> Non Executive and Independent Director DIN: 01359807	<b>Sd/-</b>

#### **SIGNED BY COMPANY SECRETARY & COMPLIANCE OFFICER AND CHIEF FINANCIAL OFFICER OF OUR COMPANY:**

<b>Manmindersingh S. Makhija</b> Chief Financial Officer	<b>Sd/-</b>
<b>Nirav Shah</b> Company Secretary & Compliance Officer	<b>Sd/-</b>

**Date:** 23/09/2016  
**Place:** Ahmedabad