Red Herring Prospectus
Refer section 26 and 32 of the Companies Act, 2013
Dated: August 28, 2018
Book Built Issue

AHLADA ENGINEERS LIMITED

*Our Company was incorporated as 'Ahlada Engineers Private Limited' on August 10, 2005 under the Companies Act, 1956, with the Registrar of Companies, Andhra Pradesh at Hyderabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders dated January 23, 2018 and the name of our Company was changed to "Ahlada Engineers Limited" vide fresh certificate of incorporation dated February 6, 2018. For further details pertaining to the change of name and Registered Office, please refer to the chapter "History and Certain Corporate Matters" on page **115** of this Red Herring Prospectus.*

Corporate Identification Number: U24239TG2005PLC047102

Registered Office: Door No 4-56, Survey No. 62/1/A & 67, Tech Mahindra Road, Bahadurpally, Qutbullapur Mandal, Hyderabad 500 043, Rangareddi, Telangana, India;

Telephone: +91 98 6650 0811 / +91 98 6650 0822;

Contact Person: Pusuluru Kodanda Rami Reddy, Company Secretary and Compliance Officer; **E-mail**: kodanda.cs@ahlada.com; **Website**: www.ahlada.com;

OUR PROMOTER: CHEDEPUDI SURESH MOHAN REDDY

PUBLIC ISSUE OF UPTO 34,05,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF AHLADA ENGINEERS LIMITED ("AHLADA", "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("ISSUE PRICE") INCLUDING SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE AGGREGATING UPTO ₹ [●] LAKHS* ("THE ISSUE"), OF WHICH UPTO 1,71,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 32,34,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING UPTO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.35% AND 25.03%, RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER "TERMS OF THE ISSUE" ON PAGE 271 OF THIS RED HERRING PROSPECTUS.

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

PRICE BAND IS ₹ 147 TO ₹ 150 PER EQUITY SHARE OF ₹ 10 EACH.
THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS 14.70 TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND IS 15.00 TIMES OF THE FACE VALUE AT THE UPPER END OF THE PRICE BAND.
BID CAN BE MADE FOR A MINIMUM 1,000 EQUITY SHARES AND IN MULTIPLES OF 1,000 EQUITY SHARES THEREAFTER

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

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI (ICDR) Regulations"), wherein not more than 40.01% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 24.99% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Issue Price. In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("**ASBA**") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") for the same. For details in this regard, specific attention is invited to the Chapter titled *"Issue Procedure"* on page 277 of this Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the securities of our Company. The face value of our Equity Share is ₹ 10 each and the floor price and cap price are 14.70 times and 15.00 times the face value respectively. The Issue Price (as determined by Company in consultation with the BRLM) in accordance with the SEBI ICDR Regulations, and as stated in the Chapter titled "*Basis for Issue Price"* on page 76 of this Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision investors must rely on their own examination of the Issuer and the Issue 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors"* beginning on page 15 of this Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (**"NSE Emerge"**), in terms of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time. Our Company has received an in-principle approval letter dated July 30, 2018 from NSE Emerge for using its name in the Offer Document for listing our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("**NSE**").

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
SAFFRON CAPITAL ADVISORS PRIVATE LIMITED	**BIGSHARE SERVICES PRIVATE LIMITED**
605, 6th floor, Centre Point,	1st Floor, Bharat Tin Works Building,
Andheri Kurla Road, J.B. Nagar,	Opposite Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai - 400 059,	Andheri (East), Mumbai – 400 059,
Maharashtra, India.	Maharashtra, India
Telephone: +91 22 4082 0901/0915	**Telephone:** +91 22 6263 8200
Facsimile: +91 22 4082 0999	**Facsimile:** +91 22 6263 8299
E-mail: sme.ipos@saffronadvisor.com	**E-mail:** ipo@bigshareonline.com
Website: www.saffronadvisor.com	**Website:** www.bigshareonline.com
Investor grievance: investorgrievance@saffronadvisor.com	**Investor grievance:** investor@bigshareonline.com
Contact Person: Abhijit Diwan/Gaurav Khandelwal	**Contact person:** Babu Raphael
SEBI Registration Number: INM 000011211	**SEBI Registration No:** INR000001385
Validity of Registration: Permanent	**Validity of Registration:** Permanent

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON: SEPTEMBER 11, 2018	BID/ISSUE CLOSES ON: SEPTEMBER 18, 2018

** Subject to finalisation of basis of Allotment.*

TABLE OF CONTENTS

SECTION – I GENERAL INFORMATION 3
DEFINITIONS AND ABBREVIATIONS 3
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION 12
FORWARD-LOOKING STATEMENTS 14
SECTION II - RISK FACTORS 15
SECTION III – INTRODUCTION 31
SUMMARY OF INDUSTRY 31
SUMMARY OF OUR BUSINESS 34
SUMMARY OF FINANCIAL INFORMATION 39
THE ISSUE 42
GENERAL INFORMATION 43
CAPITAL STRUCTURE 54
SECTION IV – PARTICULARS OF THE ISSUE 69
OBJECTS OF THE ISSUE 69
BASIS FOR ISSUE PRICE 76
STATEMENT OF TAX BENEFITS 78
SECTION V - ABOUT THE COMPANY 80
INDUSTRY OVERVIEW 80
OUR BUSINESS 87
KEY REGULATIONS AND POLICIES 110
HISTORY AND CERTAIN CORPORATE MATTERS 115
OUR MANAGEMENT 121
OUR PROMOTER AND PROMOTER GROUP 137
OUR GROUP ENTITIES 141
RELATED PARTY TRANSACTIONS 149
DIVIDEND POLICY 150
SECTION VI - FINANCIAL INFORMATION 151
FINANCIAL STATEMENTS 151
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION 222
FINANCIAL INDEBTEDNESS 234
SECTION VII - LEGAL AND OTHER INFORMATION 243
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 243
GOVERNMENT AND OTHER APPROVALS 250
OTHER REGULATORY AND STATUTORY DISCLOSURES 254
SECTION VIII – ISSUE RELATED INFORMATION 268
ISSUE STRUCTURE 268
TERMS OF THE ISSUE 271
ISSUE PROCEDURE 277
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 320
SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION 321
SECTION X - OTHER INFORMATION 349
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 349
DECLARATION 351

SECTION – I GENERAL INFORMATION

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates, requires or implies, shall have the meanings as provided below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto, from time to time.

The words and expressions used in this Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meaning as is ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Listing Regulations, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing terms used in 'Main Provisions of the Articles of Association', 'Summary of Our Business', 'Our Business', 'Risk Factors', 'Industry Overview', 'Key Regulations and Policies in India', 'Financial Information', "Outstanding Litigation and Material Developments", "Statement of Tax Benefits", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Part B" of "Issue Procedure", shall have the meaning ascribed to such terms in these respective sections. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Unless the context otherwise indicates, all references to "Ahlada", "Ahlada Engineers Limited", "the Company", "our Company", "the Issuer", "we", "us" and "our" are references to Ahlada Engineers Limited, and references to "you", "your" or "yours" refer to Prospective investors in this Issue.

Company and Business Related Terms

Term	Description
"Articles" or "Articles of Association" or "AoA"	The Articles of Association of our Company, as amended.
"Auditor" or "Statutory Auditor"	The statutory and peer reviewed auditors of our Company, being M/s. Kishore & Venkat Associates, Chartered Accountants having their office at 130/2RT, Sanjeeva Reddy Nagar, Hyderabad – 500 082, Telangana, India
Audit Committee	The Audit Committee of our Board of Directors described in the chapter entitled *"Our Management"* on page 121 constituted in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.
Bankers to the Company	The Bankers to the Company as mentioned in the chapter titled "*General Information*" beginning on page 43.
"Board" or "Board of Directors" or "our Board"	The Board of Directors of our Company, as duly constituted from time to time, and includes any committee(s) of the Board constituted in accordance with the Companies Act, 2013. For further details, see chapter titled "*Our Management*" beginning on page 121
Corporate and Social Responsibility Committee	The Corporate and Social Responsibility Committee of our Board of Directors described in the chapter entitled *"Our Management"* on page 121 constituted in accordance Section 135 of the Companies Act, 2013.
Director(s)	Unless the context requires otherwise, the director(s) of our Company
Equity Shares	Equity shares of our Company of ₹ 10 each, fully paid up
Group Entities / Group Companies	The companies included under the definition of "Group Entities" under the SEBI (ICDR) Regulations and identified by the Company in its Materiality Policy. For further details, please refer to chapter titled *"Our Group Entities"* beginning on page 141 of this Red Herring Prospectus.
IPO Committee	The IPO Committee of our Board of Directors described in the section entitled *"Our Management"* on page 121.
"Key Managerial Personnel" or KMP	The personnel listed as key managerial personnel in chapter titled "*Our Management*" on page 121 of this Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on May 19, 2018 for identification of Group Entities, outstanding material litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
"Memorandum" or "Memorandum of Association" or "MoA"	The Memorandum of Association of our Company, as amended.
Nomination and Remuneration Committee	The nomination and remuneration Committee of our Board of Directors described in the chapter entitled *"Our Management"* on page 121 constituted in accordance with Regulation 19 of the SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013.

Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership, Joint Venture, or Trust or Any Other Entity or Organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoter	Chedepudi Suresh Mohan Reddy
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations.
Registered Office	Door No 4-56, Survey No. 62/1/A & 67, Tech Mahindra Road, Bahadurpally, Qutbullapur Mandal, Hyderabad 500043, Rangareddi, Telangana, India.
Registrar of Companies/ ROC	Registrar of Companies, Andhra Pradesh and Telangana at 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad – 500 068, Telangana, India
Shareholders	Shareholders of our Company, from time to time.
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors described in the section entitled *"Our Management"* on page 121 constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013.
"you", "your" or "yours"	Prospective investors in this Issue

Issue Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allotment of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants.
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, issue/allotment of Equity Shares of our Company pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful applicant(s) to whom the Equity Shares are being/ have been issued /allotted.
Allotment Advice	The Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Red Herring Prospectus.
"ASBA" or "Application Supported by Blocked Amount"	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
ASBA Bidder	All Bidders in the Issue who intend to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker to the Issue	Axis Bank Limited
Basis of Allotment	Basis on which the Equity Shares will be Allotted as described in "*Issue Procedure*" on page 277 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid-cum-Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations in accordance with the Red Herring Prospectus and Bid-cum-Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a bid in the Issue.
Bid Lot	1,000 Equity shares and in multiples of 1,000 Equity Shares thereafter.
Bid/Issue Closing Date	The date after which the Bids will not be accepted, which shall be notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and all editions of the Telugu newspaper Surya (Telugu being the regional language of Telangana where the Registered Office of our Company is located), each with wide circulation, and in case of revision, the extended Bid/ Issue Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/Issue Opening Date	The date on which acceptance of Bids will be started, which shall be notified in all

Term	Description
	editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and all editions of the Telugu newspaper Surya (Telugu being the regional language of Telangana where the Registered Office of our Company is located), each with wide circulation, and in case of revision, the extended Bid/ Issue Closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/Issue Period	The period between the Bid/ Issue Opening Date and Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bid-cum Application Form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form and unless otherwise stated or implied.
Bidding/Collection Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book Building Process, as provided in Schedule XI of the SEBI ICDR Regulations, 2009 in terms of which the Issue is being made.
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the issue namely Saffron Capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock exchange, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited on the following link http://www.nseindia.com/Static/Markets/PublicIssues/brokercentres.aspx?expandable=3#markets_eq
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to each succesful Bidder, who have been allocated Equity Shares, after the Bid / Issue Period
Cap Price	The upper end of the Price Band, above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms.
Company Secretary and Compliance Officer	The Company Secretary of our Company, Pusuluru Kodanda Rami Reddy
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue by the Applicants with the Registrar to the Issue and the Stock exchange, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	The Issue Price, finalised by our Company in consultation with BRLM, which shall be any price within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non- Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The details of the Applicants including the Applicants address, names of the Applicants father/husband, investor status, occupations and bank account details.
Depository / Depositories	NSDL and CDSL or any other depository registered with the SEBI under Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time read with the Depositories Act, 1996.
Depository Participant or DP	A depository participant as defined under the Depositories Act, 1966.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
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.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid-cum-Application Forms. The details of such Designated RTA Locations, along with the names and contact

Term	Description
	details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited or NSE
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated June 14, 2018 issued in accordance with Section 26 and Section 32 of the Companies Act, 2013.
Emerge Platform of NSE/ SME Exchange/ Stock Exchange/ NSE Emerge	The Emerge platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
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 promoter and immediate relatives of the promoter. For further details, Bidder/Applicant may refer to the Red Herring Prospectus
Equity Shares	The Equity Shares of our Company of face value of ₹ 10 each
First/ Sole Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids (or a revision thereof) will be accepted.
FII/Foreign Institutional Investor	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
General Information Document/GID	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 issued by SEBI, suitably modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, and the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, issued by SEBI, suitably modified and included in "*Issue Procedure*" on page 277.
Issue / Issue Size / Initial Public Offer/ IPO	Public issue of up to 34,05,000 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] lakhs by our Company, in terms of this Red Herring Prospectus
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus.
Issue Proceeds	The proceeds of this Issue to be raised by our Company, details of which have been provided in the section titled *"Objects of the Issue"* on page 69 of this Red Herring Prospectus
Listing Agreement	The listing agreement to be entered into by our Company with National Stock Exchange of India Limited
Market Maker(s)	Member Broker(s) of NSE who are specifically registered as Market Maker(s) with the Emerge Platform of NSE. In our case, Saffron Equity Advisors Private Limited being the Market Maker to the Issue.
Market Making Agreement	The Market Making Agreement dated August 28, 2018 between our Company, BRLM and Market Maker.
Market Maker Reservation Portion	The reserved portion of up to 1,71,000 Equity Shares of ₹10 each at an Issue Price of ₹ [●] each to be subscribed by the Market Maker.
Materiality Policy	The policy on identification of Group Entities, material creditors and material litigation, adopted by our Board on May 19, 2018 in accordance with the requirements of the SEBI (ICDR) Regulations
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MOU	The MOU dated May 04, 2018 entered into between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 32,34,000 Equity Shares of face value ₹ 10 each of our Company for cash at a price of ₹ [●] Equity Share (the "Issue Price"), including a share premium of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non-Institutional Investor / NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Offer Document	Collectively, the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus
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. **OCBs are not allowed to invest in this Issue.**
Price Band	Price band of minimum price of ₹ 147/- per equity share (Floor Price) and the maximum price of ₹150/- per equity share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Issue will be decided by our Company in consultation with the Book Running Lead Manager and will be advertised in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and all editions of the Telugu newspaper Surya (Telugu being the regional language of Telangana where the Registered Office of our Company is located), each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the Book Running Lead Manager, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC for this Issue in accordance with the provisions of Section 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations, including any addenda or corrigenda thereto
Public Issue Account	The bank account opened with the Banker to the Issue by our Company under Section 40 of the Companies Act, 2013 to receive money from the SCSBs the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Agreement	Agreement dated July 31, 2018 entered into amongst the Company, the Book Running Lead Manager, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Qualified Foreign Investors or QFIs or Eligible QFI	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
QIB Portion	The portion of the Issue being not more than 40.01% of the Net Issue or 12,94,000 Equity Shares to be Allotted to QIBs on a proportionate basis.
Red Herring Prospectus or RHP	The Red Herring Prospectus dated August 28, 2018 to be issued in accordance Section 26 and 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three Working Days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account(s)	Accounts to which the monies to be refunded to the Bidders is transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Banks(s)/Refund Banker(s)	Bank which is/are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable.
Registered Brokers	The stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.

Term	Description
Registrar / Registrar to the Issue	The Registrar to the Issue being Bigshare Services Private Limited
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated April 26, 2018, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
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
Restated Financial Statements	The restated audited financial statements of our Company for Fiscal 2018, 2017, 2016, 2015, and 2014 prepared in accordance with Indian GAAP
Retail Individual Investor/ RIIs	Investors (including HUFs applying through their karta, Eligible NRIs and Resident Retail Individual Investors) whose Application Amount for Equity Shares in the Issue is not more than ₹ 200,000 in the Issue.
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue comprising 11,32,000 Equity Shares which shall be available for allocation to Retail Individual Bidders) in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Issue Price.
Revision Form	The form used by the Applicants, to modify the quantity of Equity Shares Application Forms or any previous Revision Form(s).
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Self Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and Issue services in relation to ASBA a list of which is available on website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time
Specified Locations	Centres where the Syndicate shall accept the Application Forms, a list of which is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time
Sub-Syndicate members	A SEBI registered member of National Stock Exchange of India appointed by the BRLM and/or Syndicate Member to act as a Sub-Syndicate Member in the Issue
Syndicate Agreement	The agreement dated August 28, 2018 entered into among our Company, the BRLM and the Syndicate Members in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate or Members of the Syndicate	The BRLM, Saffron Equity Advisors Private Limited and Sunidhi Securities and Finance Limited.
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), to the Bidder as proof of registration of the Bid
Underwriter	Saffron Capital Advisors Private Limited is the Underwriter to the Issue.
Underwriting Agreement	The agreement dated August 28, 2018 to be entered into between the BRLM, being the Underwriter to the Issue and our Company.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulations 2(zn) of the SEBI Regulations
Working Days	"Working Day" shall mean all trading days of Stock exchange, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Conventional and General Terms/ Abbreviations

Abbreviation	Full Form
₹/Rs./ Rupees	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Funds registered pursuant to SEBI (Alternative Investment Funds) Regulations, 2012, as amended from time to time
AS or Accounting Standards	Accounting Standards as notified under Companies (Accounting Standards) Rules, 2006
AY	Assessment Year
CAGR	Compound Annual Growth Rate
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CDSL	Central Depository Services (India) Limited
CDP	Collecting Depository Participant
CFO	Chief Financial Officer

Abbreviation	Full Form
CGST	Central Goods and Services Act, 2017, as amended.
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identity Number
Companies Act or Act	Companies Act, 1956, as superseded and substituted by notified provisions of the Companies Act, 2013.
Competition Act	Competition Act, 2002, as amended.
CSR	Corporate Social Responsibility
CST	Central Sales Tax Act, 1956, as amended.
DIN	Directors Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's Identity
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings per share, which is the profit after tax for a fiscal year divided by the weighted average of outstanding number of equity shares at the end of the fiscal year.
EPF	The Employees Provident Fund and Miscellaneous Provisions Act, 1952
ESI	The Employees State Insurance Act, 1948
ESIC	Employee State Insurance Corporation
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investors, as defined under the FII Regulations and registered with SEBI under applicable laws in India.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
Fiscal or Financial Year or FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
FIPB	Foreign Investment Promotion Board
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any QFI or FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
FVCI	Foreign Venture Capital Investor registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
GDP	Gross Domestic Product
GoI or Government of India or Central Government	The Government of India
GST	Goods and Service Tax
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
Indian GAAP	Generally accepted accounting principles in India.
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority.
ISIN	International Securities Identification Number
IT	Information Technology
IT Act	Income Tax Act, 1961, as amended.
IT Department	Income Tax Department, GoI.
KMP	Key Managerial Personnel
Limited Liability Partnership or LLP	Limited Liability Partnership registered under the Limited Liability Partnership Act, 2008.

Abbreviation	Full Form
Ltd.	Limited.
MCA	The Ministry of Corporate Affairs, GoI
MMSA	Master Manufacturing and Supply Agreement dated August 22, 2017 entered into between Tata Steel Limited and our Company
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A./NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
NIF	National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India.
No.	Number
NOC	No objection certificate
NR	Non Resident
NR or Non Resident	A person resident outside India, as defined under FEMA, including an Eligible NRI and FII.
NRE Account	Non-Resident External Account
NRI	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLR	Prime Lending Rate
Pvt./(P)	Private
QA	Quality Assurance
QC	Quality Check
R&D	Research and Development.
RBI	Reserve Bank of India
RoC or Registrar of Companies	The Registrar of Companies, Andhra Pradesh and Telangana situated at 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad – 500 068, Telangana, India.
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI (ICDR) Regulations, / SEBI (ICDR) Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
SEBI (LODR) Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
Securities Act	U.S. Securities Act of 1933.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporates or foreign individuals.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
TAN	Tax Deduction Account Number allotted the Income Tax Act, 1961, as amended.

Abbreviation	Full Form
Tata / TSL	Tata Steel Limited
TDS	Tax Deducted at Source
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. or US or U.S.A or United States	The United States of America, together with its territories and possessions.
US$	United States Dollar, the official currency of the United States of America.
VAT	Value Added Tax Act, 2005 as amended.
VCFs	Venture Capital Funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
Y-O-Y	Year-over-Year

Industry Related Terms

Abbreviation	Full Form
AE	Advanced Economies
ANDA	Abbreviated New Drug Application
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
BCG	Boston Consulting Group
BFSI	Banking, Financial services and Insurance industry
CAGR	Compound Annual Growth Rate
CSO	Central Statistics Organisation
EME	Emerging Market Economies
FTP	Foreign Trade Policy
GDP	Gross Domestic Product
GMP	Good Manufacturing Practice
GST	Goods and Services Tax
GVA	Goods Value Added
HEPA	High Efficiency Particulate Air
IMF	International Monetary Fund
ISO	International Organization for Standardization
IT	Information Technology
ITES	Information Technology Enabled Services
MBS	Mortgage-Backed Securities
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MHRA	Medicines and Healthcare products Regulatory Agency
MNC	Multi National Corporation
MPR	Monetary Policy Report
MSME	Micro, Small and Medium Enterprises
NASSCOM	The National Association of Software and Services Companies
NSQHS	National Safety and Quality Health Standards
PHARMEXCIL	Pharmaceuticals Export Promotion Council of India
PMAY	Pradhan Mantri Awas Yojana
PMGSY	Pradhan Mantri Gram Sadak Yojana
PPP	Purchase Power Parity
RBI	Reserve Bank of India
U.S.	United States of America
U.S. FDA	U S Food and Drug Administration
U.S. Fed.	U S Federal Reserve
ULPA	Ultra-Low Penetration Air
WHO	World Health Organization

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" contained in this Red Herring Prospectus are to the Republic of India and all references to the "U.S.", the "USA" or the "United States" are to the United States of America, together with its territories and possessions. In this Draft, unless otherwise stated, our Company has presented numerical information in "Lakhs" units.

Financial Data

Unless stated otherwise the financial data in this Red Herring Prospectus is derived from our restated financial information of our Company as at and for the Fiscals 2018, 2017, 2016, 2015 and 2014 prepared in accordance with Indian GAAP and the SEBI (ICDR) Regulations, which are included in this Red Herring Prospectus, and as set out in the section titled "*Financial Information*" on page 151 of this Red Herring Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the next year. Unless stated otherwise, all references to a particular Financial Year are to the 12-month period ended on March 31 of that year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards ("**IFRS**") and the Generally Accepted Accounting Principles in the United States of America ("**U.S. GAAP**"). We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Red Herring Prospectus 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 financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

Unless the context otherwise indicates, any percentage amounts, relating to the financial information of our Company as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this RHP unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the chapter titled "*Financial Statements*" beginning on page 151 of this Red Herring Prospectus.

Currency and Unit of presentation

All references to "Rupees" or "Rs." or "₹" or "INR" are to Indian Rupees, the currency of the Republic of India. All references to "US$" or "U.S. Dollars" or "USD" are to United States Dollars, the currency of the United States of America and all references to "Euro" or "€" are to Euro the official currency of Euro member countries.

Our Company has presented certain numerical information in this Red Herring Prospectus in "lakh" or "Lac" units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. 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 Red Herring Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Statements.

Exchange rates

This Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency#	Exchange rate as on				
	March 31, 2018 [2]	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014[1]
US$	65.04	64.84	66.33	62.59	60.10
Euro	80.62	69.25	75.10	67.51	82.58

#Source: RBI reference rate

(1) *Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.*

(2) *Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 29, March 30 on account of public holiday and March 31, 2018 being Saturday respectively.*

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

Industry and Market Data

The chapter titled "*Industry Overview"* quotes and otherwise includes information/ data procured by us, from IBEF and other publicly available sources for purposes of this Red Herring Prospectus. We have not commissioned any report for purposes of this Red Herring Prospectus. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. In addition, certain data in relation to our Company used in this Red Herring Prospectus has been obtained or derived from information / data procured from IBEF and other sources and may differ in certain respects from our restated financial information as a result of, *inter alia*, the methodologies used in compiling such data. Accordingly, no investment decision should be made based on such information.

Further, such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including but not limited to those discussed in the section titled "*Risk Factors*" on page 15 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI (ICDR) Regulations, the chapter titled "*Basis for Issue Price*" on page 76 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Manager have independently verified such information.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward looking statements" which are not historical facts. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our plans, our goals, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. These forward looking statements can generally be identified by words or phrases such as "will", "may" "aim", "will likely result", "believe", "expect", "will continue", "will pursue" "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "anticipate", "objective", "goal", "project", "should", "will pursue" "will likely result" and similar expressions or variations of such expressions. All forward looking statements are subject to risks, uncertainties and assumptions about us that may cause our 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 our expectations include, among others:

- Our inability to enter into or maintain strategic relationships with customers and to maintain their demands, specifications or expectations;
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements;
- Our ability to successfully implement and manage our growth strategy and expansion plans and to launch and implement business plans for which funds are being raised through this Issue;
- Any disruptions in production at, or shutdown of, our manufacturing facility;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which our company operate and in the local, regional, national and international economies;
- Our ability to upgrade our existing technology and infrastructure;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Increased competition in the sectors/areas in which our company operates and our ability to compete effectively, particularly in new markets and businesses;
- Our ability to finance our business growth and obtain financing on favourable terms;
- Changes in laws and regulations relating to the industry in which we operate, changes in government policies and regulatory actions that apply to or affect our business;
- Fluctuations in operating costs and impact on the financial results;
- Any adverse outcome in the legal proceedings in which our company is involved; and
- Contingent Liabilities, environmental problems and uninsured losses;

For a further discussion of factors that could cause our actual results to differ, refer to the chapters titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on pages 15, 87 and 222, respectively of this Red Herring Prospectus. Additionally, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future and as a result, actual future gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company only as of the date of the Red Herring Prospectus and are not a guarantee of our future performance. None of our Company, our Directors, our officers, any Underwriter, Book running lead manager or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not materialize. In accordance with SEBI requirements, our Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not currently known to us or that are currently believed to be immaterial may also have an adverse impact on our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations and financial condition could be materially and adversely affected and the price of the Equity Shares could decline, causing the investors to lose part or all of the value of their investment in the Equity Shares. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in these risk factors. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. For further information, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 87 and 222, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

This section contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For further details, see "Forward-Looking Statements" on page 14.

Internal Risk Factors

1. Our Company is involved in certain tax proceedings and any adverse outcome of the same could adversely impact our business, financial condition and results of operations.

Our Company is involved in certain tax proceeding aggregating to ₹853.70 lacs (to the extent quantifiable) and any adverse outcome of the same could adversely impact our business, financial condition and results of operations. Details of these tax proceeding are provided below:

(*₹ in lacs*)

Sr. No.	Particulars	Amount (to the extent quantifiable)	Period	Issued by
Central Excise Duty -I				
1.	79/2011-Adjn (CE) ADC dated April 20, 2011	44.48	August 2008 to October 2010	Additional Commissioner
2.	174/2011-Adjn (CE) ADC dated October 11, 2011	21.81	November 2010 to March 2011	Additional Commissioner
3.	134/2012-Adjn (ADC) CE dated May 4, 2012	37.73	April 2011 to January 2012	Additional Commissioner
4.	40/2013-Adjn (Commr) CE dated March 5, 2013	67.63	February 2012 to December 2012	Commissioner
5.	10/2014-Adjn (Commr) CE dated January 3, 2014	63.21	January 2013 to October 2013	Commissioner
6.	211/2014- Adjn (Commr) CR dated December 1, 2014	56.95	November 2013 to June 2014	Commissioner
7.	139/2015- Adjn (Commr) CE dated August 3, 2015	241.27	July 2014 to March 2015	Commissioner
8.	119/2016- Adjn (Commr) CE dated July 1, 2016	152.66	April 2015 to March 2016	Commissioner
9.	14/2018-Adjn. (Medchal) dated April 6, 2018	162.58	April 2016 to June 2017	Commissioner
Central Excise Duty -II				
1.	O.C. no. 329 of 2018 dated August 17, 2018	0.39	August 2016 to January 2017	Supreintendent of Central Tax
Central Sales Tax				
1.	Order dated March 29, 2018	4.96	-	Assistant Commissioner of Sales Tax

Any adverse decision in any of the above proceedings may result in monetary losses and could adversely impact our business, financial condition and results of operations. For further details, see "*Outstanding Litigation and Material Developments*" on page 243.

2. Majority of our revenues will be dependent on one customer and a loss of such customer could adversely affect our business, financial condition and results of operations.

For the fiscal 2018, 26.22% of our revenues were derived from Tata, pursuant to the Master Manufacturing and Supply Agreement entered into on August 22, 2017. Tata being our largest customer, accounted for 26.22% of our revenues in Fiscal 2018. The Master Manufacturing and Supply Agreement is valid for a period of 48 months from the date of signing and may be extended for a further period of 11 months. Further, the said agreement may also be renewed for a further period of 4 years and we envisage majority of our revenues will be dependent on Tata. Although the agreement with Tata is for long term, there can be no assurance that the said agreement will not be terminated prior to its term, due to any reason whatsoever, or that the term will be extended or renewed by Tata. Further, there can be no assurance that our Company will be able to fulfil its obligations as set out in the said agreement, or that there will not be any breach of the terms of the agreement, thereby resulting in an early termination of the agreement. Additionally, we are completely dependent on Tata for distribution and marketing of the products supplied to Tata and we do not have our own distribution or marketing network for such products. Loss of Tata as our largest customer due to any reason whatsoever, would result in a significant dip in our revenues, thereby adversely affecting our profitability, business, financial condition and results of operations. For further details, see "*History and Certain Corporate Matters – Material Agreements*" on page 115.

3. Our failure to meet demands, specifications or expectations of customers, could result in us losing our customer base thereby adversely affecting our business, results of operations and financial condition.

We operate in a highly competitive industry. Our success largely depends on our ability to maintain our existing customer base and also on our ability to expand our customer base. Our business involves manufacturing and supply of products based on the specific needs of the customer which includes specifications such as quantity and quality and other technical specifications. We may also be required to incur additional cost to rectify or redevelop a particular product in the event the same is not matching our customer's preference. In the event we fail to anticipate or meet their exact demands or cater to the specific requirements of our customers or fail to deliver our products as per their expectations in a timely manner or at all, we may lose our existing customer base thereby affecting our business, results of operations and financial condition and could also result in reputational loss.

4. We are dependent on third party transportation providers for delivery of raw materials to us from our suppliers and delivery of our products to our customers and distributors. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.

Our success depends on the smooth supply and transportation of the raw materials required for manufacturing and transportation of our products from our units or warehouses to our customers and distributors, which may be subject to various uncertainties and risks. We are significantly dependent on third party transportation providers for the delivery of raw materials to us and delivery of our products to our customers and distributors. Uncertainties and risks such as transportation strikes or delay in supply of raw materials and products could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. Additionally, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. A failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, results of operations and financial condition.

5. Our Company intends to utilize ₹ 1,740.00 lacs out of the Issue Proceeds for purchasing machinery and equipment. There can be no assurance that such machinery will be made available to us in a timely manner.

Our Company intends to utilize ₹ 1,740.00 lacs out of the Issue Proceeds for purchasing machinery and equipment. As on the date of this Red Herring Prospectus our Company has placed orders for such machinery and equipment and has also made an advance payment of €3.16 lacs (approximately ₹256.45 lacs). There can be no assurance that we will be able to procure the identified machinery and equipment in a timely manner or at all. Any cost overrun due to our failure to purchase machinery and equipment within our budget, could adversely impact our financial condition and also our growth prospects. For further details see "*Objects of the Issue*" on page 69.

6. Our Company does not have long term agreement with suppliers for supply of raw material. Our inability to obtain raw material in a timely manner, in sufficient quantities could adversely affect our operations, financial condition and/or profitability.

We depend on a number of suppliers within India and abroad, for procurement of raw materials required for manufacturing our products. In Fiscals 2016, 2017 and 2018, our cost of material consumed amounted to 61.69%, 60.65% and 65.50% of our total revenue respectively. We have not entered into long term contracts with our suppliers and prices for raw materials are normally based on the quotes we receive from various suppliers. Inadequate and timely unavailability and substandard quality of the raw materials used in the manufacture of our products, could have a material adverse effect our business. Further, any discontinuation of production by these suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality and quantity could hamper our manufacturing schedule. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials to us. Further, we cannot assure you that our suppliers will continue to be associated with us on reasonable terms, or at all. Since our suppliers are not contractually bound to deal with us exclusively, we may face the risk of our competitors offering better terms to such suppliers, which may cause them to cater to our competitors alongside. In the event that we fail to secure sufficient quantities of such raw materials from our suppliers at acceptable quality and prices in a timely manner, our business, financial performance and cash flows may be adversely affected.

7. All are manufacturing units, assembling unit and stockyard are situated in one geographical area, thus exposing us to any risks/ adverse developments affecting that area.

Presently, all of our manufacturing units, assembling unit and stockyard are situated within Hyderabad, thus our business operations are vulnerable to damage or interruptions in operations due to adverse weather conditions, earthquakes, fire, explosion, power cuts, civil disturbances or other similar event which may effect this area. Any failure of our systems or any shutdown of any of our manufacturing units, assembling unit or stockyard due to any reasons could result in significant increase of costs and delays in execution of orders. We do not have a diversified base of manufacturing operations, and local disturbances would have a material adverse effect on our business, and consequently on our operations and financial condition.

8. Our continued operations are critical to our business and any disruption or shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.

Presently we have 3 manufacturing facilities, 1 assembling unit and 1 stockyard in Hyderabad. Any local social unrest, strikes, lock-outs, natural disaster or breakdown of services and utilities in that area could have material adverse effect on the business, financial position and results of our operations. Our manufacturing facilities are subject to certain operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters and industrial accidents. Additionally, we are also required to comply with the directives of relevant government authorities from time to time. In the event of any disruption or shut down, partial or complete, of our manufacturing facility for a significant period of time, it would have a material adverse effect on our earnings, our other results of operations and our financial condition as a whole. Further, spiralling cost of living around our manufacturing facility may push our manpower costs in the upward direction, which may reduce our margin and cost competitiveness.

9. Our Promoter has extended personal guarantees with respect to various loan facilities availed by our Company. Revocation of any or all of these personal guarantees may adversely affect our business operations and financial condition.

Our Promoter has extended certain personal guarantees in favour of certain banks / financial institutions with respect to various facilities availed by our Company from them. In the event any of these guarantees are revoked, our lenders may require us to furnish alternate guarantees or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees in a timely manner or at all. Further, if our lenders enforce any of the restrictive covenants or exercise their options under the relevant debt financing arrangement, our operations and use of assets may be significantly hampered and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby

adversely affecting our business and operations. For further details please refer to the chapter titled "*Financial Indebtedness*" on page 234 of this Red Herring Prospectus.

10. Our Promoter has entered into a share pledge agreement for pledge of his Equity Shares. Our business, financial condition and results of operations may be adversely affected in the event of enforcement of the pledge provided by our Promoter.

Our Promoter has executed a share pledge agreement dated August 31, 2017 for a loan aggregating to ₹ 500.00 lacs availed by our Company from Jain Sons Finlease Limited, which is secured by a commitment to create a pledge on 7,57,178 Equity Shares aggregating to 7.96% of our paid up share capital as on date. In terms of the said agreement, in the event of a default as described in the facility agreement, the lender would be entitled to enforce the pledge. Any default under the facility agreement may result in, *inter alia*, the lender taking ownership of the pledged shares, selling the pledged shares to any third party purchaser, and attending and exercising voting rights in respect of the pledged shares on any matter at any meeting of the members of our Company. Though one of the Objects of the Issue is to repay the outstanding amount as on May 31, 2018 of ₹ 389.45 lacs from the loan availed from Jain Sons Finlease Limited, there can be no assurance that the present Issue will be successful and that we will be able to pay of the outstanding loan amount. For further details, see "*Objects of the Issue*" on page 69.

11. Our Company, in certain instances in the past, has not filed or there have been delays in reporting requirements of some filings as required under the Companies Act to RoC and there have been instances of delays in payment of statutory dues.

Our Company, in certain instances in the past, has not filed or there have been instances of delayes in reporting requirements of some of its filing as required under the Companies Act to the RoC and there have been instances of dela ys in payment of certain statutory dues under service tax, GST, VAT, CST, TDS and income tax. For further details of such delays, please refer to the paragraph titled "*Delays with Regulatory Authorities*" under the chapter titled "*Outstanding Litigation and Material Developments*" on page 243 of this Red Herring Prospectus.

12. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As of March 31, 2018, our contingent liabilities and commitments as disclosed in the notes to our restated financial statement aggregated to ₹ 1368.21 lacs. The details of our contingent liabilities are as follows:

(₹ in Lacs)

Particulars	As on 31st March 2018
Showcase cum Demand Notice from Central Excise Department	848.35
Duty Payable against Import of Machinery Under EPCG	470.44
Unexpired Bank Guarantee	49.42
Grand Total	**1,368.21**

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details of contingent liability, see the chapter titled "*Financial Statement*" on page 151 of this Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

13. Our Company has taken certain unsecured loans which may be recalled by the lenders on demand.

Our Company has outstanding unsecured loans aggregating to ₹ 1,734.91 lacs as on March 31, 2018 which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, we may not have adequate working capital to undertake new projects or complete our ongoing projects. As a result, any such demand may adversely affect our business, financial condition and results of operations. For further details, see "*Financial Indebtedness*" on page 234 of this Red Herring Prospectus.

14. Our applications made for registration of our current logo ahlada ***and our other logo*** ahlada ***and application for registration of one patent are still pending with the relevant authorities. If our Company is unable to protect its intellectual property, or if our Company infringes on the intellectual property rights of others, our business may be adversely affected.***

We use our logo ahlada for carrying out our business activities. Our Company has made applications for the registration of our current logo and our other logo. Additionally, our Company has also made an application for the registration of one patent for '*movable barrier with door skins accommodated on a frame*'. The said applications are pending for approval before the relevant authorities. Since we do not have registered trademarks for our logos or registration for our patent, we do not enjoy the statutory protections accorded to a registered trademark holder or a patent holder and cannot prohibit the unauthorised use of our logos or patent by third parties, thereby causing damage to our business and goodwill. There can be no assurance that the registration of this trademark and patent will be granted by the relevant authorities.

15. Out of the Issue proceeds, ₹250 lacs will be utilized by our Company for part repayment of certain unsecured loans availed by it from our Promoter.

One of the Objects of the Issue is for part repayment of loans availed from our lenders and Promoter. As on July 31, 2018, we have outstanding unsecured loans aggregating to ₹ 507.46 lacs from our Promoter. Out of the Issue proceeds, we intend to utilize ₹250 lacs for part repayment of unsecured loans availed by our Company from our Promoter. For further details, please see the chapter titled "*Objects of the Issue*" beginning on page 69 of this Red Herring Prospectus**.**

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

In the course of our business, we have entered into and may continue to enter into transactions with related parties including our Promoter, Directors and Group Entities in the future. For further information on our related party transactions, see "*Related Party Transactions*" on page 149. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable commercial terms with other parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest which may be detrimental to our Company. Further, there can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

17. Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

Our Company has experienced negative net cash flow in operating, investing and financing activities in the past, the details of which are provided below:

(₹ in lacs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Net Cash Flow from/(used in) Operating Activities	1488.26	465.65	517.30	138.69	(136.47)
Net cash generated from/(used in) investing activities	(3428.74)	(1074.17)	(604.63)	(83.49)	(212.07)
Net Cash Flow from/(used in) Financing Activities	(96.14)	(382.60)	(136.91)	118.62	106.64

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition.

18. Some of our Group Entities have incurred losses in the past. Continuous financial losses by our Group Entities may be perceived adversely by external parties such as clients and bankers, which may affect our reputation, business, financial condition and results of operation.

Some of our Group Entities have incurred losses in the past, details of which are as under:

(₹ in Lacs)

S. No.	Name of the entity	Profit/(Loss)*		
		March 31, 2017	March 31, 2016	March 31, 2015
1.	M/s Elegant Products	2.54	(7.27)	-
2.	Ahlada Marketing Private Limited	(13.28)	-	-
4.	M/s Mettle Engineers	(0.63)	8.18	0.054

5.	M/s Sree Lakshmi Industries	6.31	(0.27)	1.15

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

There can be no assurance that these entities, or any of the other entities, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses. Such losses incurred by our Group Entities may be perceived adversely by external parties such as customers, bankers, and suppliers, which may affect our reputation.

19. One of our Group Entity have had negative Net Worth in Fiscal Year 2017.

One of our Group Entity, Ahlada Marketing Private Limited has incurred negative Net Worth in the past, details of which are provided below:

S. No.	Name of the entity	(Amount in ₹ lacs)
		Net Worth as on March 31, 2017
1.	Ahlada Marketing Private Limited	(12.28)

There can be no assurance that our Group Entity(ies) will incur negative Net Worth in the future as well.

20. Our Promoter, Directors and Key Managerial Personnel have interests in our Company other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoter. Directors and Key Managerial Personnel, may be deemed to be interested in our Company, in addition to the remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares held by them their relatives and their dividend or bonus entitlement, and benefits arising from their directorship in our Company and are also interested to the extent of sitting fee payable to them for attending each of our Board and Committee meetings. Further, one of our Independent Director, Ravindra Vikram Mamidipudi also has an additional interest in our Company other than the than reimbursement of expenses incurred or normal remuneration or benefits to the extent that his wife, M. Annapurna, is providing consultancy services to our Company, pursuant to which, our Company is paying her professional charges aggregating to ₹ 1.00 lacs monthly.

There can be no assurance that our Key Management Personnel will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Directors and our Key Management Personnel may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

21. Two of our Group Entity has main objects which is similar to ours and may be a potential source of conflict for us.

Two of our Group Entities, Ahlada Clean Room Tech Private Limited and Ahlada HVAC Systems Private Limited, have objects similar to that of our Company and may carry out business activities which are similar to that of ours. This may be a potential source of conflict for us and may have an adverse effect on our operations. Though currently our Company has signed non-compete agreements with these Group Entities, however, there is no assurance that a conflict of interest may not occur between our business and the business of our other Group Entities in the future, or that we will be able to adequate measures to address such conflict or that we will be able to suitably resolve such a conflict without an adverse effect on our business or operations. For further details, see "*Our Group Entities – Common Pursuits*" on page 141.

22. The Objects of the Issue are based on quotations and the internal estimates of our management, and have not been appraised by any bank or financial institution. The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled "Objects of the Issue".

Our funding requirements and the deployment of the proceeds of this Issue are based on quotations received from third parties and management estimates and have not been appraised by any bank or financial institution or any independent agency. We may have to revise our quotations and management estimates from time to time and consequently, our funding requirements may also change. Such quotations and estimates may exceed the value that would have been determined by third party appraisals and may require us to reschedule our expenditure which may have an impact on our expected revenues and earnings. Further, the deployment of the funds towards the

Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. For further details of the Objects of the Issue, see the chapter titled "*Objects of the Issue*" on page 69.

23. If we are unable to effectively manage our growth or expansion plans, our business prospects, results from operations and financial condition may be adversely affected.

While we make consistent efforts to scale up and expand our business activities, we may not be able to sustain historic growth levels. Our growth and expansion plans may expose us to certain unforeseen risks which may be beyond our control. There can be no assurance that our growth and expansion plans will be successfully implemented or implemented at all or that they will yield effective results. Our management may consider expansion / growth of our business activities by setting up additional manufacturing units or introducing new products. There can be no assurance that such plan will be implemented in timely manner or at all or that such plan will be successful or that our new products will yield successful returns. Additionally, we could be exposed to certain delays and risks in setting up such manufacturing units or introducing new products which are beyond our control. Any failure on our part to timely identify the land for building our manufacturing units, delay in executing the necessary agreements, failure to procure the requisite approvals and plant and machinery in a timely manner or at all could adversely affect our business, financial condition and results of operations.

24. Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Issue Price

We have, in the last 12 months preceding the date of this Red Herring Prospectus issued certain Equity Shares of our Company at a price which may be lower than the Issue Price, the details of which are mentioned below:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of consideration	Reasons for allotment	Whether forming a part of Promoter Group
January 23, 2018	43,78,000S	10	-	Other than cash	Bonus issue in the ratio of 1:1; authorised by our Board, pursuant to a resolution passed at its meeting held on January 23, 2018 and by our Shareholders pursuant to a resolution passed at the EGM held on January 23, 2018	Yes Bonus Shares issued to all shareholders, including the promoter group
May 5, 2018	7,60,000	10	134	Cash	Preferential Allotment	No

The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares. For further details in relation to the above issuance of Equity Shares, refer to the section titled "*Capital Structure*" on page 54 of this Red Herring Prospectus.

25. 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 Promoter and Promoter Group will continue to own 50.36% of our post issue paid up capital. As a result, our Promoter will have the ability to exercise significant influence over all matters requiring shareholders' approval. Accordingly, our Promoter will continue to retain a significant control, including being able to control the composition of our Board of Directors, determine decisions requiring simple or special majority voting of shareholders, relating to any sale of all or substantially all of our assets, timing and distribution of dividends and termination of appointment of our officers, and our other shareholders may be unable to affect the outcome of such voting. There can be no assurance that our Promoter will exercise his right as shareholder to the benefit and best interests of our Company. The interests of our Promoter could conflict with the interests of our other equity shareholders, and the Promoter could make decisions that materially and adversely affect your investment in the Equity Shares.

26. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations. Our Company has not declared any dividends in last five financial years and there can be no assurance that our Company will declare dividends in the future also. For further details, please refer to the chapter titled "*Dividend Policy*" and the chapter titled "*Financial Indebtedness*" on pages 150 and 234 respectively, of this Red Herring Prospectus.

27. We are dependent on information technology systems in carrying out our business activities and forms an integral parts of our business. Any failure of our information technology systems could have a material adverse effect on our business, financial condition and results of operations.

We are dependent on information technology system in connection with carrying out our business activities and forms an integral part of our business. Any failure of our information technology systems could result in business interruptions, including the loss of our customers, loss of reputation and weakening of our competitive position, and could have a material adverse effect on our business, financial condition and results of operations.

Additionally, our information technology systems, specifically our software may be vulnerable to computer viruses, piracy, hacking or similar disruptive problems. Computer viruses or problems caused by third parties could lead to disruptions in our business activities. Fixing such problems caused by computer viruses or security breaches may require interruptions, delays or temporary suspension of our business activities, which could adversely affect our operations. Breaches of our information technology systems may result in unauthorized access to confidential information. Such breaches of our information technology systems may require us to incur further expenditure to put in place advanced security systems to prevent any unauthorised access to our networks.

28. Our Registered Office and manufacturing units are located on premises which is not owned by us and has been obtained on lease basis. Disruption of our rights as licensee/ lessee or termination of the agreements with our licensors/ lessors would adversely impact our manufacturing operations and, consequently, our business, financial condition and results of operations.

As on the date of this Red Herring Prospectus, our Registered office, our manufacturing unit 3 and part of manufacturing unit 2 are located on properties taken on lease basis from various lessors. Further, our assembling unit and stockyard are also taken on lease basis for thirty six months each, expiring in 2021. Further, our manufacturing unit 2 which is partly on lease and manufacturing unit 3 is taken on lease for a period of 11 years and 10 years respectively, expiring in 2027. There can be no assurance that our Company will be able to successfully renew the said lease agreements in a timely manner or at all or on terms favourable to us. Further, there can be no assurance that we will not face any disruption of our rights as a lessee and that such lease agreements will not be terminated prematurely by the lessor. Any such non-renewal or early termination or any disruption of our rights as lessee will adversely affect our business, financial conditions and results of operations. For further details, see "*Our Business - Properties*" on page 87.

29. Any delays and/or defaults in receipt of payments from our customers could result in increase of working capital investment and/or reduction of our Company's profits, thereby affecting our business, financial condition and results of operation.

Our financial position and financial performance are dependent on the creditworthiness of our customers. We are exposed to payment delays and/or defaults by our customers. Mostly we supply our products without taking any advance payment or security deposit against the orders placed by them. Such delays in timely receipt of payments may require our Company to make a working capital investment. There can be no assurance that payments from all or any of our customers will be received in a timely manner or to that extent will be received at all. If a customer defaults in making its payments on an order on which our Company has devoted significant resources, or if an order in which our Company has invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition. For the Fiscals ending March 31, 2018, 2017 and 2016 our trade receivables were ₹ 3556.49 lacs, ₹ 2561.74 lacs and ₹ 2,984.77 lacs, respectively, out of which, debts amounting to ₹ 406.4 lacs, ₹ 355.14 lacs and ₹ 399.54 lacs were outstanding for a period exceeding six months from the due date.

There is no assurance that our customers will be able to fulfil their obligations, which may arise from their financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global

economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

30. Work stoppages, shortage of labour and other labour problems could adversely affect our business, and our operations are dependent on a large pool of contract labour and an inability to access adequate contract labour at reasonable costs at our project sites across India may adversely affect our business prospects and results of operations.

We are significantly dependent on a large pool of contract labour for our manufacturing activities. As of July 31, 2018, while we had 350 permanent full time employees and we also employed 1,085 contract labours. The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands, which may adversely affect our business. Further, there can be no assurance that we will have adequate access to skilled workmen at reasonable rates. As a result, we may be required to incur additional costs to ensure timely production.

Our Company appoints independent contractors who in turn engage on-site contract labourers for carrying out the manufacturing process. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent workmen. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

Also, on an application made by contract labourers, an Industrial court or Tribunal may direct that the contract labourers are required to be regularized or absorbed by our Company. Further, the State Government may prohibit employment of contract labour. If either of the above should occur, we may be required to induct such labourers on our payroll, as employees which may result in increased expenses. Further, even though we have obtained all necessary approvals for operating our business, as required under the statutes, there can be no assurance that we may continue to hold such permits, licenses or approvals in the time-frame anticipated by it or at all. Such non-issuance or non-renewal may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and future results of operations.

Furthermore, all contract labourers engaged in our projects are assured minimum wages that are fixed by the relevant State governments, and any increase in such minimum wages payable may adversely affect our results of operations.

31. Our agreements with various lenders for financial arrangements contain restrictive covenants that limit our ability to undertake certain types of transactions which may restrict our scope of activities and impede our growth plans.

Our agreements with various lenders for financial arrangements contain certain restrictive covenants that limit our ability to undertake certain types of transactions. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, undertake guarantee or obligation, which require our Company to obtain prior consent of the lenders for any of the above activities. There can be no assurance that our lenders will provide us with the necessary approvals in the future in a timely manner or at all. For further details, see "*Financial Indebtedness*" on page 234 of this Red Herring Prospectus

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

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as breakdown, malfunctions, sub-standard performance or failures of manufacturing equipment, fire, riots, third party liability claims, loss-in-transit for our products, accidents and natural disasters. Presently, we have obtained certain policies such as special perils policy, public liability industrial policy, business package policy,

employee accidental, medical expenses policy, private car – comprehensive policy, two wheeler package policy, commercial vehicle package policy, standard fire, auto secure private car package policy, etc. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our results of operations and financial position.

33. Our success largely depends upon the knowledge and experience of our Promoter and our Key Managerial Personnel. Any loss of our key managerial personnel or our ability to attract and retain them could adversely affect our business, financial condition and results of operations.

Our Company depends on the management skills, guidance, expertise, experience and continued efforts of our Promoter, Whole time Director and our Key Managerial Personnel. Our future performance will also depend largely on our ability to retain the continued service of our management team. If one or more of our key managerial personnel are unable or unwilling to continue in his present position, it could be difficult for us to find a suitable or timely replacement and our business could be adversely affected. There is significant competition for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such key managerial personnel Further, as on the date of this Red Herring Prospectus, our Company does not have key man insurance policies and in the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and operations may be adversely affected. For further details, please see "*Our Management"* on page 121 of this Red Herring Prospectus.

34. Our business is working capital intensive and insufficient cash flows or inability to borrow funds to meet our working capital requirements may materially and adversely affect our business, financial condition and results of operations.

Our business activities are capital intensive and requires significant amount of working capital to carry out manufacturing activities. Our working capital requirements are primarily met through financing arrangements with various lenders and internal accruals. We may continue to incur additional indebtedness in the future. Our ability to meet our debt service obligations and our ability to repay our outstanding borrowings will depend primarily upon the cash flow produced by our business. There can be no assurance that we will generate sufficient revenue from our businesses to service existing or proposed borrowings. Further, at the time of approaching various financing institutions to fund our working capital requirements, the financial institutions may require us to meet certain conditions precedent. We may not be able to fulfil all or any of the conditions or agree on terms acceptable to these lender institutions, in which case they would have no obligation to provide any financing to us. The inability of our company to obtain requisite financing may adversely affect our business, financial condition and results of operations.

35. Non-availability or discontinuance of fiscal benefits enjoyed by us or our inability to comply with related requirements may have an adverse effect on our business, financial position, profitability and results of operations.

The Government of India has provided fiscal incentives such as concessions on duty imports under the Export Promotion Capital Goods Scheme ("EPCG Scheme"). Our Company also enjoys certain incentives under the EPCG Scheme for our manufacturing facilities. The EPCG Scheme allows imports at concession rates of customs duty and requires the importer to export a specified quantity of goods over a period of six/eight years and to maintain an average export performance per year. Non-fulfilment of such obligations may result in confiscation of capital goods imported under EPCG Scheme and other penalties as set out in the EPCG Scheme. The export obligation of our Company under the EPCG Scheme as on March 31, 2018 was ₹ 470.44 lacs. Though in the past we have not been penalised for non-fulfilment of the export obligations under the EPCG Scheme; there can be no assurance that we would be able to meet the export obligations at all times in the future and any such failure could expose us to penal liabilities. In the event we are in default of the EPCG Scheme and the incentives provided therein are withdrawn by the Government of India, it could have a material adverse effect on our business, financial position, profitability and results of operation. Further, we may be penalized for our failure to comply

with such export obligations in a timely manner or at all. For further information please refer to the section titled "*Government and Other Approvals*" on page 250 of this Red Herring Prospectus.

36. Our Company requires certain licenses, approvals and registrations to carry out operations and business, Not receiving these licenses, approvals and registrations in a timely manner or at all or any suspension or cancellation many lead to interruption of our Company's operations.

We require certain statutory and regulatory approvals, licenses, registrations and permissions to operate our business some of which are granted for a fixed period of time and need to be renewed from time to time. There can be no assurance that the relevant authorities will renew such licenses, approvals and registrations in a timely manner or at all. Further, these licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant licenses, approvals and registrations. Failure by our Company to renew, maintain or obtain the required licenses or approvals, or cancellation, suspension, or revocation of any of the licenses, approvals and registrations may result in the interruption of our Company's operations and may have a material adverse effect on our business. For further details on the licenses obtained by our Company, please refer to the chapter titled "*Government and Other Approvals"* on page 250 of this Red Herring Prospectus.

EXTERNAL RISKS

37. If we are unable to adapt to technological changes coupled with changes in market conditions, changes in the requirements of our customers, or to identify and understand evolving industry trends and preferences and manufacture new products to meet our customers' demands, our business and results of operations may be adversely affected.

Our future success will depend in part on our ability to respond to technological advances and changes in market conditions, changes trends and the requirements of our customers and also changes in the businesses in which we operate, on a cost-effective and timely basis. Any advancements, changes or up gradation in the present technology being used by may render the present technology obsolete and may require us to incur additional capital expenditure for upgrading our facilities and equipment so as to compete with our competitors on a global scale. To compete effectively in the industry, we must be able to develop and design new products to meet our customers' demand in a timely manner. In the event that we are not able to respond to such technological advancements or changes in demands of our customers in a timely manner, we may become less competitive thereby adversely affecting our business, results of operations and financial condition.

38. The Equity Shares issued pursuant to the Issue may not be listed on NSE in a timely manner, or at all, and any trading closures at NSE may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted and there could therefore be a failure or delay in listing the Equity Shares on NSE. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares. NSE has in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including our Equity Shares. A closure of, or trading stoppage on NSE could adversely affect the trading price of the Equity Shares.

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

Our Company is subject to safety and health laws and regulations such as the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981. These laws and regulations impose controls on our Company's safety standards, and other aspects of its operations. Our Company has incurred and expects to continue to incur, operating costs to comply with such laws and regulations. In addition, our Company has made and expects to continue to make capital expenditures on an on-going basis to comply with the safety and health laws and regulations. Our Company may be liable to the Government of India or the State Governments or Union Territories with respect to its failures to comply with applicable laws and regulations. Further, the adoption of new safety and health laws and regulations, new

interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that our Company make additional capital expenditures or incur additional operating expenses in order to maintain its current operations or take other actions that could have a material adverse effect on its financial condition, results of operations and cash flow. Safety, health and environmental laws and regulations in India, in particular, have been increasing in stringency and it is possible that they will become significantly more stringent in the future. The costs of complying with these requirements could be significant and may have an impact on our financial condition.

40. There is no existing market for our Equity Shares, and we do not know if one will develop to provide you with adequate liquidity. Further, an active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.

An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Issue. Our Company, in consultation with the BRLM, will determine the Issue Price. The Issue Price may be higher than the trading price of our Equity Shares following this Issue. As a result, investors may not be able to sell their Equity Shares at or above the Issue Price or at the time that they would like to sell. The trading price of the Equity Shares after the Issue may be subject to significant fluctuations in response to factors such as, variations in our results of operations, market conditions specific to the sectors in which we operate economic conditions of India and volatility of NSE and securities markets elsewhere in the world

41. The price of the Equity Shares may be highly volatile after the Issue.

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors and the perception in the market about investments in the apparel industry; adverse media reports on us or the Indian apparel industry; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

42. You will not be able to sell immediately on the Stock Exchange any of the Equity Shares you purchase in the Issue

The Equity Shares will be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or "demat" accounts with depository participants in India are expected to be credited within two working days of the date on which the Basis of Allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of final listing and trading approval from the Stock Exchanges, trading in the Equity Shares is expected to commence within 6 Working Days of the Bid/Issue Closing date. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict investors' ability to dispose off their Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above. In addition, we would be liable to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

43. The requirements of being a listed company may strain our resources.

We are not a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreement with the Stock Exchange, which require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

Further, as a listed company we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our

business, prospects, results of operations and financial condition and the price of our Equity Shares. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely manner.

44. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These 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, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

45. Any future issuance or sale of the Equity Shares by any existing shareholder could significantly affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us or the disposal of Equity Shares by any of the major shareholders or the perception that such issuance or sales may occur may significantly affect the trading price of the Equity Shares. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

46. 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.

Subsequent to listing, our Company will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility 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 our Company's circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform our Company of the percentage limit of the circuit breaker from time to time, and may change it without its knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

47. A slowdown in economic growth in India could cause our business to suffer.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

- Factors that may adversely affect the Indian economy, and hence our results of operations, may include:
- any increase in Indian interest rates or inflation;
- any scarcity of credit or other financing in India;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- variations in exchange rates;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- prevailing regional or global economic conditions; and
- other significant regulatory or economic developments in or affecting India

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

48. 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. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the Companies Act, 2013 within the prescribed timelines, and this could also affect our reputation. To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavour to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner. 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.

49. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities, and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

50. Differences exist between Indian GAAP and other accounting principles, which may be material to investors' assessments of our financial condition.

Our financial statements, including the financial statements included in this Red Herring Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of other accounting principles, such as U.S. GAAP or IFRS, on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of its financial statements to those prepared pursuant to U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in several respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should, accordingly, consult their own professional advisors before relying on the financial disclosures presented in this Red Herring Prospectus.

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

Our business and financial performance could be adversely affected by changes in law, or interpretations of existing laws, rules and regulations, or the promulgation of new laws, rules and regulations in India, applicable to us and our business.

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which

we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have an adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of new regulations, which may also harm our results of operations. Any changes to such laws, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects:

The goods and service tax ("GST") that has been implemented with effect from July 1, 2017 combines taxes and levies by the GoI and state governments into a unified rate structure, and replaces indirect taxes on goods and services such as central excise duty, service tax, customs duty, central sales tax, state VAT, cess and surcharge and excise that were being collected by the GoI and state governments. Due to 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 tax rate for goods and service tax under the GST regime may also be higher than the service tax rate presently applicable, affecting our profitability to some extent.

The General Anti-Avoidance Rules ("GAAR"), and the provisions of Chapter X-A (sections 95 to 102) of the Income Tax Act, 1961, are expected to be applicable from assessment year 2019 (Fiscal 2018) onwards. The GAAR provisions intend to declare an arrangement as an "impermissible avoidance arrangement", if the main purpose or one of the main purposes of such arrangement is to obtain a tax benefit, and satisfies at least one of the following tests (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act, 1961; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, that is not ordinarily engaged for bona fide purposes. If GAAR provisions are invoked, the tax authorities will have wider powers, including denial of tax benefit or a benefit under a tax treaty. In the absence of any precedents on the subject, the application of these provisions is uncertain. As the taxation regime in India is undergoing a significant overhaul, its consequent effects on economy cannot be determined at present and there can be no assurance that such effects would not adversely affect our business, future financial performance and the trading price of the Equity Shares.

The application of various Indian and international sales, value-added and other tax laws, rules and regulations to services, currently or in the future, is subject to interpretation by the applicable taxation authorities. Many of the statutes and regulations that impose these taxes were established before the growth of the Internet and mobile networks. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties and, if we pass on such costs to our clients, it may result in a decrease in the demand for our services. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

52. Terrorist attacks, civil disturbances, wars, regional and communal conflicts, natural disasters, fuel shortages, epidemics and labour strikes in India and elsewhere in Asia may have a material adverse effect on our Company's business and on the market for securities in India.

India has experienced civil and social unrest, terrorist attacks and other acts of violence in the last few years. If such tensions occur in places where we operate or in other parts of the country, leading to overall political and economic instability, it could adversely affect our business, future financial performance, cash flows and the market price of our Equity Shares. Southern Asia has also, from time to time, experienced instances of civil unrest, political tensions and hostilities among neighbouring countries. Additionally, any of these events could lower confidence in India's economy and create a perception that investments in companies with Indian operations involve a high degree of risk, which could have a material adverse effect on the price of the Equity Shares. Any discontinuation of business or loss of profits due to such extraneous factors may affect our operations. Further, our operations are dependent on our ability to protect our facilities and infrastructure from fire, explosions, floods, typhoons, earthquakes, power failures and other similar events. India has experienced natural disasters such as earthquakes, a tsunami, floods and droughts in the past few years. In addition, we can give no assurance that the insurance coverage we maintain for such risks will adequately compensate it for all damage and economic losses from natural or man-made catastrophes. The occurrence of a natural disaster of a significant scale could cause interruptions in our operations. The extent and severity of these natural disasters determines our impact on the Indian economy and infrastructure.

Prominent Notes:

1. Initial public offering of up to 34,05,000 Equity Shares for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share aggregating up to ₹ [●] lacs. The Issue would constitute 26.35 % of the post- Issue paid – up Equity Share capital of our Company.

2. As of March 31, 2018, the net worth of our Company was ₹ 3640.13 lacs, as per our Restated Financial Statements.

3. As of March 31, 2018, our net asset value per share was ₹ 41.57, as per our Restated Financial Statements.

4. The average cost of acquisition per share by our Promoter is as given below.

Name of Promoter	No. of shares held	Average cost of acquisition per Equity Share* (₹)
Chedepudi Suresh Mohan Reddy	65,07,096	18.45

**As certified by the Auditor vide certificate dated June 06, 2018.*

For further details in relation to the shareholding of our Promoter, see "*Capital Structure*" on page 54.

5. There are no financing arrangements pursuant to which our Promoter, Promoter Group, Directors, and/ or their immediate relatives have financed the purchase of Equity Shares by any other person other than in the ordinary course of business during the six months preceding the date of filing of this Red Herring Prospectus with NSE.

6. Pursuant to a special resolution passed by our Shareholders dated January 23, 2018 our Company was converted into a public limited company and consequently the name of our Company was changed to "*Ahlada Engineers Limited*" vide a fresh certificate of incorporation consequent upon conversion from Private company to Public Company dated February 6, 2018 issued to our Company by the Registrar of Companies, Andhra Pradesh and Telangana, at Hyderabad.

7. Out of the Issue proceeds, ₹250 lacs will be utilized for repayment of certain unsecured loans taken by our Company from our Promoter. For further details, see "Risk Factors - *Out of the Issue proceeds, ₹250 lacs will be utilized by our Company for repayment of certain unsecured loans availed by it from our Promoter.*" on page 15 and "*Objects of the Issue*" on page 69.

8. Trading in Equity Shares of our Company for all investors shall be in dematerialised form only.

9. For details of transactions between our Company, Directors, Group Entities and Key Managerial Personnel, during the last Fiscal, including the nature and cumulative value of the transactions, see *"Financial Statements"* on page 151.

10. For information regarding the business or other interests of our Group Entities in our Company, see *"Our Group Entities"* and *"Financial Statements"* on pages 141 and 151, respectively.

11. Investors may contact the BRLM for any complaints pertaining to this Issue.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The information in this section must be read in conjunction with the sections titled "Risk Factors" and "Our Business" beginning on pages 15 and 87, respectively.

The Global Economy

Global growth has broadened to encompass several advanced and emerging market economies. World trade has also picked up and is likely to outpace global GDP growth. Inflationary pressures remain subdued across geographies, supported by soft commodity prices.

Global trade has been buoyed by gradually firming demand, and exports and imports have risen in several economies. Crude prices have firmed up in Q3 (FY18) on the easing supply glut. Metal prices have rallied, fuelled by resurgent Chinese demand, but have moderated in recent weeks. Growing risk appetite for financial assets led to a fall in bullion prices to multi-month lows, before a recent rally in September. Inflation remains below target levels in many AEs and subdued across several EMEs.

International financial markets have been buoyed by these global growth prospects and the accommodative monetary policy stance in major AEs. Financial markets have remained resilient to geo-political events and more recently to the US Fed's decision to reduce the size of its balance sheet. Equity markets rallied in most AEs, while some correction has been witnessed in a few EMEs. Bond yields in major AEs hardened on expectations of monetary policy normalisation, but generally declined in EMEs with softening inflation and neutral or accommodative policy rates. The US dollar weakened to a multi-month low in September, while the euro rallied further. Movements in EME currencies were mixed but with a general tendency to appreciate.

Changing expectations about the course of monetary policy in AEs and improving economic prospects influenced risk perceptions of investors and drove global financial markets. Although markets have remained relatively calm and stable, the unwinding of the expansion in Fed's balance sheet since the global financial crisis is a potential vortex of tension going forward. With its massive holdings of government and mortgage-backed securities (MBS), the Fed is the most dominant player in the US bond market. Furthermore, a reduction of the Fed's balance sheet would echo growing confidence in the US economy. In turn, this has some implications for financial markets in EMEs.

(Source: Monetary Policy Report – October 2017, Reserve Bank of India)

The Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to reach a growth rate of 7 per cent by September 2018.

Indian Market size

India's gross domestic product (GDP) grew by 6.3 per cent in July-September 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, according to Bloomberg consensus. The tax collection figures between April-June 2017 Quarter show an increase in Net Indirect taxes by 30.8 per cent and an increase in Net Direct Taxes by 24.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed Income Tax Returns rose 21 per cent year-on-year to 42.1 million in 2016-17 (till 28.02.17), whereas the number of e-returns processed during the same period stood at 43 million.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US$ 404.92 billion in the week up to December 22, 2017, according to data from the RBI.

(https://www.ibef.org/economy/indian-economy-overview)

The April 2017 MPR (Monetary Policy Report) had projected an acceleration in real GVA for 2017-18 on the back of (a) a recovery in discretionary spending spurred by the pace of remonetisation; (b) the reduction in banks' lending rates on fresh loans brought about by demonetisation induced liquidity; (c) the growth stimulating proposals in the Union Budget 2017-18; (d) a normal southwest monsoon; and (e) an improvement in external demand. Stressed balance sheets of banks and the possibility of higher global commodity prices were seen as downside risks to growth prospects.

Some of these expectations have materialised, whereas the recovery in discretionary and investment spending has been weaker than expected and kharif food grains production is expected to be lower than last year in view of the shortfall and irregular rainfall during the south-west monsoon this year. The uncertainty about the implementation of GST also appears to have had some impact on economic activity, although it is expected to be offset by productivity-enhancing effects in the medium- and long-run. Consumer confidence dipped in the September 2017 round of the RBI's survey on declining optimism about prospects of income and employment a year ahead.

Overall optimism in the manufacturing sector for the quarter ahead improved in the September round of the RBI's industrial outlook survey on account of better prospects for production, order books, capacity utilisation, exports and profit margins, even as the current assessment dropped further. Taking into account the outturn in the first half, the baseline assumptions, survey indicators and model forecasts, real GVA growth is projected at 6.7 per cent for 2017-18 – 6.4 per cent in Q2, 7.1 per cent in Q3 and 7.7 per cent in Q4 – with risks evenly balanced around this baseline path. For 2018-19, structural model estimates indicate that real GVA may grow by 7.4 per cent, assuming a normal monsoon, fiscal consolidation in line with the announced trajectory, and no major exogenous/policy shocks.

(Source: Monetary Policy Report – October 2017, Reserve Bank of India)

Government Initiatives

In the Union Budget 2017-18, the Finance Minister, Arun Jaitley, verified that the major push of the budget proposals is on growth stimulation, providing relief to the middle class, providing affordable housing, curbing black money, digitalisation of the economy, enhancing transparency in political funding and simplifying the tax administration in the country. India's unemployment rate has declined to 4.8 per cent in February 2017 compared to 9.5 per cent in August 2016, as a result of the Government's increased focus towards rural jobs and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Government of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. 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 from the current 17 per cent. 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.

Some of the recent initiatives and developments undertaken by the government are listed below:

- The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.
- A total of 15,183 villages have been electrified in India between April 2015-November 2017 and complete electrification of all villages is expected by May 2018, according to Raj Kumar Singh, Minister of State (IC) for Power and New & Renewable Energy, Government of India.

- The Government of India has decided to invest Rs 2.11 trillion (US$ 32.9 billion) to recapitalise public sector banks over the next two years and Rs 7 trillion (US$ 109.31billion) for construction of new roads and highways over the next five years.
- The mid-term review of India's Foreign Trade Policy (FTP) 2015-20 has been released by Ministry of Commerce & Industry, Government of India, under which annual incentives for labour intensive MSME sectors have been increased by 2 per cent.
- The India-Japan Act East Forum, under which India and Japan will work on development projects in the North-East Region of India will be a milestone for bilateral relations between the two countries, according to Kenji Hiramatsu, Ambassador of Japan to India.
- The Government of India will spend around Rs 1 lakh crore (US$ 15.62 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY).
- The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organisations, to push for rural development under its 'Mission Antyodaya' and has already selected 50,000 panchayats across the country for the same.
- The fiscal deficit of the Government of India, which was 4.5 per cent of the gross domestic product (GDP) in 2013-14, has steadily reduced to 3.5 per cent in 2016-17 and is expected to further decrease to 3.2 per cent of the GDP in 2017-18, according to the Reserve Bank of India (RBI).
- The Government of India plans to implement a new scheme, named 'Sasti Bijli Har Ghar Yojana' with an outlay of Rs 17,000 crore (US$ 2.64 billion), to provide electricity to around 40 million un-electrified households in the country.
- The Government of India and the Government of Portugal have signed 11 bilateral agreements in areas of outer space, double taxation, and nano technology, among others, which will help in strengthening the economic ties between the two countries.
- India's revenue receipts are estimated to touch Rs 28-30 trillion (US$ 436- 467 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

Road Ahead

India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

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

Our Company broadly operates under two industries; 1) Clean Room equipment and 2) Residential Doors & Windows. There is no specific industry report by any major consulting firm which directly mentions the estimated market size, competition and future outlook about the segment in which our Company operates; i.e. manufacturing of steel doors and windows and manufacturing of Cleanroom Equipment.

SUMMARY OF OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategy, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled "Risk Factors" and "Financial Information" and chapter titled "Management Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 15, 151 and 222, respectively, of the Red Herring Prospectus. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless the context otherwise requires, in relation to business operations, in this section of the Red Herring Prospectus, all references to "we", "us", "our" and "our Company" are to Ahlada Engineers. All financial information included herein is based on our Restated Financial Statements included in this Red Herring Prospectus in the section "Financial Statements" beginning on page 151.

Overview

Our Company is in the business of manufacturing steel doors and windows (steel-frame) and we cater to customers across various segments and industries. We currently have our facilities spread across 3 manufacturing units in addition to one assembling unit and stock yard, with an area admeasuring 34,211 square yards on the outskirts of Hyderabad. Additionally, we are also in the business of manufacturing cleanroom equipment for our customers in the pharmaceutical, biotechnology and food industries.

Established in 2005, we started commercial operations in February 2006 with manufacturing of cleanroom equipment and furniture. Further in the year 2008, we started manufacturing steel doors which catered to the then existing customers of cleanroom equipment and furniture. Gradually we started expanding the customer base for our products manufactured to healthcare, entertainment and real estate vertical as well.

We have been gradually expanding our manufacturing facilities and have over the past decade, expanded the facilities to its current form and capacity. Presently, we have an installed capacity to manufacture 11,000 doors per month. The facilities to manufacture clean room equipment and furniture and windows is inter-operable, and hence, capacities for the same cannot be conclusively determined.

With nearly a decade of experience in making steel doors and windows, we have developed in-house expertise in the process of manufacturing our product range, i.e. steel doors, windows and clean room equipment, and our in-house research team contributes in fine-tuning our products, its look and finish to suit the requirements of our customers, which in turn has carved a niche for our Company's products. Our in-house research and design team also constantly update the product designs as per client requirements and also make changes to improve efficiency.

In order to expand our business and customer base, we have on August 22, 2017, entered into a Master Manufacturing and Supply Agreement (MMSA) with Tata Steel Limited (TSL), whereby TSL has assured offtake of doors manufactured and shall work with us to improve process and line efficiency. We consider this alliance with Tata as one of our biggest strengths. The salient features of this MMSA are as detailed below:

Pursuant to the said Agreement, our Company is manufacturing and supplying steel doors of decorative, wood finished, RAL colour, to be used for independent house building and/or steel doors of decorative and wood finished, RAL colour for external door/ internal door / toilet door to be used in housing, residential and commercial sector and other related parts for Tata and under the brand name of Tata and /or as directed by Tata from time to time ("**Product**").

Key terms of the Agreement are set out below:

Term – the Agreement is valid for an initial term of 48 months from the date of signing, and may be extended for an additional period of 11 months (Extension Period). The Agreement may be renewed by executing a fresh agreement on mutually acceptable terms for another 4 years (Renewed Period).

Non-Exclusivity - Tata reserves the right to manufacture the Product for itself and or to purchase the Product and similar products from any other party, provided, in the event it is considering qualification of an additional manufacture in any other part of India, other than northern regions of India (J&K,

Himachal Pradesh, Punjab, Uttarakhand, Haryana, Uttar Pradesh, New Delhi, Rajasthan and Chandigarh), Tata shall notify in writing and our Company shall have the opportunity to make a first proposal for such qualification within 60 days of receipt of such request.

Orders and Minimum offtake – our Company shall provide the Products as per purchase orders issued from time to time and Tata has committed to order minimum quantity of 11.75 lac doors during the term of the agreement.

Price: the price shall be as set out in the Agreement, which shall be revised and mutually agreed to in writing every 3 months from the date of last product addendum.

Cost Improvement – our Company and Tata shall jointly endeavour to identify cost reduction opportunities with the objective to reduce the net price of the Product by a minimum percentage to be mutually agreed. Our Company shall pass on all cost improvements achieved during the term of the Agreement to Tata.

Manufacturing standards and quality assurance - the quality standards shall be in accordance with the quality specifications set out in the Agreement and the manufacture and supply of Products shall be strictly in accordance with the applicable laws, quality specifications, quality assurance, trademark usage and other requirements instructed by Tata.

Rejection of Product – Tata may reject any non-complying product by providing notice of rejection to our Company within 180 days following receipt of dispatch of Products, however, no time restriction shall be applicable for notice of rejection of any shipment where (i) defects are discovered by Tata's customers or the end-users of the Products or (ii) breach by our Company of any of the representation and warranties set out in the Agreement.

Intellectual Property – Tata is the sole owner of the Product and owns or has rights to all intellectual property relating to the Product, except for patents, technology and know-how owned or controlled as of the date by our Company. All materials, inventions, concepts, Product variations, improvements, know-how, trademarks, copyrights, information, data, writings and other property in any form, including the brand name "Pravesh" and other names , logos, graphics, marks, designs, patents and/or trademarks etc. that may require our Company to use, insert, impress, design etc. which is provided to our Company on behalf of Tata or used by us with respect to performance of obligations under the Agreement, and which is owned by Tata prior to being provided to Tata, and any improvements thereto, shall remain the property of Tata and Tata grants our Company a non-exclusive right to use such property solely for the purpose of giving effect to the Agreement. Additionally, any improvements or modifications to such property and any creative ideas, proprietary information, inventions etc. shall be the exclusive property of Tata.

Termination – (i) either party may terminate the Agreement immediately upon a written notice to the other party in the event of a material breach which remains uncured for 90 calendar days (ii) Tata may terminate the Agreement in the event of breach of anti-bribery / anti-corruption representation by our Company (iii) either party may terminate the Agreement in the event the other party becomes insolvent (iv) Tata may terminate the Agreement in the event of any alteration in the charter of our Company and any direct/indirect change in ownership or control or corporate reorganization (v) Tata may terminate the Agreement by giving 6 months prior notice to our Company for any or no reason.

Exclusivity – during the term of the Agreement and for a period of 1 year after the expiry or termination of the Agreement, our Company shall not manufacture, supply or otherwise distribute, sell for a third party whether directly or indirectly in the territory (as defined in the Agreement), without the prior written consent of Tata, any Product identical or similar to the Product specified in the Agreement. However, post termination of the Agreement, our Company may manufacture, supply of distribute or sell any identical or similar product under our own brand name, provided such activity is not directly or indirectly conducted with any direct competitor of Tata.

Additionally, our Company manufactures and supplies steel doors and windows to other industrial customers (other than Tata Steel Limited and the products manufactured and supplied to TSL) as well.

Our revenues and profitability for the last three years are depicted below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Revenues from operations	12,778.44	11,843.83	11,107.48
EBIDTA	2,079.93	1,244.66	1,004.84
Profit after tax	809.01	327.29	305.98

Revenue Break-up

a) Our revenue break up on the basis of our top 5 and top 10 customers for the last (3) three Fiscals is provided below:

(₹ in lacs)

Particulars	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	Amount	%	Amount	%	Amount	%
Top 5	6169.46	48.24	2176.69	18.39	2485.81	22.38
Top 10	7370.56	57.63	2900.57	24.49	3314.66	29.84

b) Our revenue break up on the basis of the products manufactured by our Company for the last (3) three Fiscals is provided below:

(₹ in lacs)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Clean Room Equipment	3,143.80	6,443.18	7,424.34
Steel Doors	8,945.42	4,997.19	3,363.28
Steel Windows	689.21	403.46	319.86
Grand Total	**12,778.44**	**11,843.83**	**11,107.48**

c) Our revenue break up categorized as on the basis of the export by our Company for the last (3) three Fiscals is provided below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Domestic Revenue	12,215.01	10,480.16	9,528.50
Direct Export Revenue	32.58	24.79	78.03
Deemed Exports Revenue	530.85	1,338.88	1,500.95
Total Revenue from Operations	**12,778.44**	**11,843.83**	**11,107.48**

d) Our export revenue on the basis of the countries exported to by our Company for the last (3) three Fiscals is provided below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Sri Lanka	32.02	--	9.74
UAE	0.56	--	--
Bangladesh	--	24.79	--
Nepal	--	--	68.29
Deemed Exports	530.85	1,338.88	1,500.95
Total Export revenue	**563.43**	**1,363.67**	**1,578.98**

Our Competitive strengths

Our primary competitive strengths are:

1. Professional and Experienced Management team

We are a professionally managed organization that is driven by a qualified and dedicated management team, which is led by our Board of Directors. Our senior management team led by our Managing Director and other wholetime directors are function oriented and focussed on their respective tasks, while being collaborative. Our management team's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. We will continue to leverage on the experience of our management team and their understanding of the industry we operate in, to take advantage of current and future market opportunities. For further details, refer to the chapter titled "*Our Management*' on page 121.

2. Quality Products

Ours is a quality conscious organisation, which believes in manufacturing quality products. Led by engineering graduates, our management team is focussed on ensuring minimum defects in our products and quality certifications are only an endorsement of the robust systems and processes developed with years of experience and knowledge. Our products and processes undergo regular quality checks to ensure minimal defects. We have been accredited with ISO 9001:2015 (Quality Management system), ISO 14001:2015 (Environmental Management system) and OHSAS 18001:2007 (Occupational Health and Safety Management system) certifications from TÜV SÜD Management Service GmbH**.**

3. Assured offtake of products

While our Company was into manufacturing and selling of steel doors and clean room equipment, the agreement with Tata Steel Limited has ensured an assured offtake of our products i.e. steel doors. With the assured product offtake, our team can focus their attention on improving production and manufacturing efficiencies, ensuring quality products at reasonable prices to cater to our customers.

4. Strong customer relations with process and line improvement inputs from Tata Steel Limited

With the MMSA agreement signed with Tata Steel Limited, we receive quality inputs from TSL during the manufacturing processes, further strengthening our line processes and gives us an outside perspective. The sharing of knowledge and process and cost improvements by TSL team with us will eventually help us make wider range of excellent quality steel doors at competitive rates. The agreement with Tata is a testimony of our work ethic and quality, endorsed by a leading corporate.

5. Integrated manufacturing facility with independent storage facility

Our Company always endeavours to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the market demand. Our manufacturing units, assembling unit and stockyard are spread across an area of 34,211 square yards and is situated on the outskirts of Hyderabad. We have deployed specialized and imported machinery which is best suited to our manufacturing operations thereby enhancing our product output. We have a common godown/storage facility for finished products within a 10 km radius of our manufacturing facilities, which eases the clutter of storage at manufacturing area and helps in easy dispatch to our customers.

Our Business Strategy

Our key strategic will be to:

1. Enhance our product offerings

Our Company originally started off as a clean room equipment manufacturer. However, over the years, we have continuously sought to expand our product portfolio and in the year 2008 we ventured into the business of manufacturing steel doors and windows. We will endeavour to expand the range of offerings, within our existing product portfolio and also outside our product portfolio as and when the opportunity presents itself and makes commercial sense for us.

2. Continuing innovation, technology upgrade and cost improvements

Continuous innovation in our manufacturing process, technology upgrade and cost improvement is a norm at our Company. Our qualified and technical teams try and ensure minimal wastage and extract out maximum from the resources we have at our disposal, be it the raw materials, be it the energy or the premises we operate in, optimum utilisation is what we believe will help us in innovating process improvements, thereby reducing costs. Additionally, we use the latest technology and machinery to ensure best quality and competitive product output and regularly upgrade our technology and machineries used in the manufacturing process in order to keep up market standards.

3. Further developing our alliances

The MMSA agreement with Tata Steel Limited has given us an opportunity to work with the brightest minds India has in the field of engineering, manufacturing, distribution & marketing, sales management amongst others. While we always look forward to learn and implement the best practices, TSL can be assured about the quality

specifications and timely deliveries. In the future, we may further develop our relationship with TSL by expanding our geographical footprints, in case TSL intends to appoint/add another manufacturer for steel doors, we have a first right to set up manufacturing facilities for TSL in India, except the northern states/region of Jammu & Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Uttar Pradesh, New Delhi, Rajasthan and Chandigarh.

In terms of the MMSA agreement, TSL has inquired with our Company to set up a new manufacturing facility in Jharkhand (near Jamshedpur). The discussion about setting up the plant is currently at a preliminary stage and nothing material or concrete has been finalised.

Our overall business strategy will be to:

- Maximize revenue through capacity expansion and increase in efficiency
- Reduction in cost of borrowing
- Enhancing production efficiency and minimize process losses
- Reduce operational costs and be cost competitive
- Have a consumer centric approach and deliver quality products
- Deliver value for money to our clients
- Adopt best practices in all functions and processes

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary of financial statements derived from our restated financial information for and as of Fiscals 2018, 2017, 2016, 2015 and 2014. These financial statements have been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the Companies Act and the SEBI ICDR Regulations and are presented in the chapter titled "Financial Statements" on page 151 of this Red Herring Prospectus. The summary of financial statements presented below should be read in conjunction with our Restated Financial Statements, the notes and annexures thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 222 of this Red Herring Prospectus.

RESTATED STANDALONE SUMMARY INFORMATION OF ASSETS AND LIABILITIES

(₹ in lacs)

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	***1***	875.60	437.80	437.80	437.80	437.80
Reserves and surplus	***2***	2772.09	2400.88	2073.59	1767.61	1509.01
Non-current liabilities						
Long-term borrowings	***3***	2430.14	1155.20	452.85	156.34	208.00
Deferred tax liabilities (net)	***4***	78.35	26.25	30.90	30.09	47.82
Long-term provisions	***5***	51.65	56.83	53.20	33.23	25.31
Current liabilities						
Short-term borrowings	***6***	2284.96	1893.98	1859.43	1645.71	1215.01
Trade payables	***7***	2676.30	2368.32	2541.20	1916.59	2070.40
Dues to Micro Enterprises and Small Enterprises		96.85	130.42	90.10	34.40	0.00
Dues to creditors other than MSME		2579.45	2237.90	2451.10	1882.19	2070.40
Other current liabilities	***8***	3020.75	1238.69	759.52	758.23	423.32
Short-term provisions	***9***	372.63	207.74	178.44	166.58	147.80
Grand Total		***14562.47***	***9785.69***	***8386.93***	***6912.18***	***6084.47***

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
ASSETS						
Non-current assets						
Fixed assets						
Property, plant and equipment	***10***	5388.45	2325.11	1540.00	1085.48	1189.74
Other non-current assets	***11***	7.56	0.00	0.00	0.00	0.00
Current Assets						
Inventories	***12***	4307.30	3116.64	2789.07	2574.74	2536.92
Trade Receivables	***13***	3556.49	2561.74	2984.77	2820.05	1995.88
Cash and bank balances	***14***	225.13	159.10	186.17	208.03	146.46
Short-term loans and advances	***15***	1077.54	1623.10	886.92	162.08	150.40
Other current assets	***16***	0.00	0.00	0.00	61.80	65.07
Grand Total		***14562.47***	***9785.69***	***8386.93***	***6912.18***	***6084.47***

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure – IV and Notes to Restated Standalone Financial information in Annexure V are an integral part of this statement.

RESTATED STANDALONE SUMMARY STATEMENT OF PROFIT & LOSS ACCOUNT

(₹ in lacs)

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Revenue						
Revenue from Operation	***17***	12778.44	11843.83	11107.48	9622.97	7901.84
Other Income	***18***	10.94	11.43	39.70	7.70	11.66
Total Revenue		***12789.38***	***11855.26***	***11147.19***	***9630.66***	***7913.50***
Expenses						
Cost of materials consumed	***19***	8377.35	7190.45	6876.61	5839.97	5724.60
Changes in inventories of finished goods and work-in-progress	***20***	(441.93)	(207.47)	(78.29)	49.62	(771.76)
Employee benefits expense	***21***	1067.87	930.32	875.84	794.80	525.04
Finance costs	***22***	487.12	417.15	350.63	312.09	235.31
Depreciation and amortization Expense	***23***	365.33	300.07	171.61	195.48	157.62
Other expenses	***24***	1706.16	2697.30	2468.19	2032.02	1632.49
Total Expenses		***11561.90***	***11327.82***	***10664.58***	***9223.98***	***7503.31***
Profit Before Tax		**1227.48**	**527.44**	**482.60**	**406.68**	**410.19**
Tax Expenses						
Current tax		366.37	204.80	175.86	165.03	147.80
Prior Period Items-earlier taxes		0.00	0.00	-0.05	0.78	0.13
Deferred tax		52.10	(4.65)	0.81	(17.74)	(2.60)
Profit for the year		***809.01***	***327.29***	***305.98***	***258.61***	***264.85***
Earning Per Equity Share (Nominal Value of equity share Rs. 10 each)	***28***	9.24	3.74	3.49	2.95	3.07

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure – IV and Notes to Restated Standalone Financial information in Annexure V are an integral part of this statement.

RESTATED STANDALONE SUMMARY STATEMENT OF CASH FLOWS

(₹ in lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Cash Flow from Operating Activities:					
Net Profit before tax as per Profit And Loss A/c	1227.48	527.44	482.60	406.68	410.19
Adjustment for:-					
Depreciation & Amortisation Expense	365.33	300.07	171.61	195.48	157.62
Preliminary Expenses written off	1.89	0.00	0.00	0.00	0.00
Interest Expense	487.12	417.15	350.63	312.09	233.31
Interest Income	(8.80)	(11.01)	(15.89)	(7.73)	(12.50)
Income from Mutual Funds	(0.11)	0.00	0.00	0.00	0.00
Profit on Sale of Asset	(0.48)	0.00	(5.61)	0.00	0.00
Operating Profit Before Working Capital Changes	***2072.44***	***1233.65***	***983.35***	***906.51***	***788.62***
Adjusted for (Increase)/ Decrease in:					
Short term provision	3.32	0.36	1.03	1.55	(121.98)
Long Term Provisions	(5.18)	3.63	19.97	7.91	18.69
Trade Receivables	(994.75)	423.04	(164.73)	(824.16)	(729.57)
Loans & Advances	545.55	(736.19)	(724.84)	(11.68)	(1.11)
Inventories	(1190.65)	(327.58)	(214.32)	(37.83)	(920.56)
Other current assets	0.00	0.00	61.80	3.27	(13.78)
Trade Payables	307.98	(172.88)	624.61	(153.81)	839.95
Other Current Liabilities	954.36	217.48	95.42	395.50	30.78
Cash Generated From Operations	***(379.37)***	***(592.14)***	***(301.06)***	***(619.24)***	***(897.57)***
Appropriation of Profit					
Net Income Tax paid/ refunded	(204.81)	(175.86)	(164.98)	(148.58)	(27.52)
Net Cash Flow from/(used in) Operating Activities: (A)	***1488.26***	***465.65***	***517.30***	***138.69***	***(136.47)***
Cash Flow from Investing Activities:					
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	(3429.09)	(1085.18	(627.12)	(91.22)	(224.57)
Sale of Fixed Asset	0.90	0.00	6.60	0.00	0.00
Increase in other noncurrent assets	(9.45)	0.00	0.00	0.00	0.00
Income from Mutual Funds	0.11	0.00	0.00	0.00	0.00
Interest on FD	8.80	11.01	15.89	7.73	12.50
Net cash generated from/(used in) investing activities: (B)	***(3428.74)***	***(1074.17)***	***(604.63)***	***(83.49)***	***(212.07)***
Cash Flow from Financing Activities:					
Proceeds from issue of Share Capital (includes Share premium)	0.00	0.00	0.00	0.00	400.40
Proceeds from Long Term Borrowings	5027.40	3013.77	1413.83	697.72	178.30
Repayment of Long Term Borrowings	(2924.75)	(2049.73)	(1211.46)	(809.97)	(296.27)
Net (Increase)/Decrease in other Noncurrent assets	390.99	34.55	213.72	430.70	344.86
Finance Cost Paid	(487.12)	(417.15)	(350.63)	(312.09)	(238.22)
Net Cash Flow from/(used in) Financing Activities: (C)	***(96.14)***	***(382.60)***	***(136.91)***	***118.62***	***106.64***
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	***66.03***	***(27.07)***	***(21.86)***	***61.57***	***40.53***
Cash & Cash Equivalents as at Beginning of the Year	159.10	186.17	208.03	146.46	105.93
Cash & Cash Equivalents as at End of the Year	***225.13***	***159.10***	***186.17***	***208.03***	***146.46***
Cash and cash equivalents comprise of:					
Cash on Hand	3.35	0.88	15.71	6.25	5.63
Bank Balance					
--- In Current Account	91.10	34.29	30.79	55.60	13.74
--- In Deposit Account	130.68	123.92	139.67	146.18	127.08
Grand Total	***225.13***	***159.10***	***186.17***	***208.03***	***146.46***

a) Figures in brackets indicate cash outflows.

b) Cash and cash equivalents include as per Note No.14.

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure – IV and Notes to Restated Standalone Financial information in Annexure V are an integral part of this statement.

THE ISSUE

Following table summarises the present Issue in terms of this Red Herring Prospectus:

Particulars	Details of Equity Shares
Issue of Equity Shares [1)]	Up to 34,05,000 Equity Shares of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lakhs. [2)]
of which:	
Market Maker Reservation Portion	Up to 1,71,000 Equity Shares* of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lakhs.
Net Issue to the Public	Up to 32,34,000 Equity Shares* of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lakhs.
of which:	
A. QIB Portion [3)]	Not more than 40.01% of the Net Issue i.e. 12,94,000 Equity Shares*
of which:	
Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	64,700 Equity Shares*
Balance for all QIBs including Mutual Funds	12,29,300 Equity Shares*
B. Retail Portion[3)]	Not less than 11,32,000 Equity Shares* of face value of ₹ 10/- each fully paid of the Company at a cash price of ₹ [●]/- per Equity share aggregating ₹ [●] Lakhs will be available for allocation to Investors up to ₹ 2.00 Lakhs.
C. Non-Retail Portion[3)]	Not less than 8,08,000 Equity Shares* of face value of ₹ 10/- each fully paid of Company for cash at price of [●]/- per Equity Share aggregating ₹ [●] lakhs will be available for allocation to investors above ₹ 2.00 Lakhs.
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	95,16,000
Equity Shares outstanding after the Issue	1,29,21,000*
Use of Net proceeds of this Issue	Please refer the chapter titled "*Objects of the Issue*" on page 69 of this Red Herring Prospectus.

** Number of shares may need to be adjusted for lot size upon determination of issue price and finalisation of basis of allotment.*

[1)] This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. For further details, please refer to section titled "Issue Related Information" on page 268 of this Red Herring Prospectus.

[2)] The present Issue has been authorised pursuant to a resolution passed by our Board at its meeting held on April 12, 2018 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1) (c) of the Companies Act, 2013 at the EGM held on April 20, 2018.

[3)] 5% of the Net QIB Portion shall be available for allocation on proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 24.99% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids.

In the event of oversubscription, Allotment shall be made on a proportionate basis, subject to valid bids received at or above the Issue Price, in consultation with NSE and in accordance with SEBI (ICDR) Regulations. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

Allocation to all categories, except the Retail Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. For further details regarding the Issue Structure and Procedure, kindly refer to the chapters titled "*Issue Structure"* and "*Issue Procedure"* beginning on pages 268 and 277, respectively of this Red Herring Prospectus.

GENERAL INFORMATION

Our Company was incorporated as '*Ahlada Engineers Private Limited'* on August 10, 2005 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Andhra Pradesh, Hyderabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders dated January 23, 2018 and consequently the name of our Company was changed to "*Ahlada Engineers Limited*" vide a fresh certificate of incorporation consequent upon conversion from Private company to Public Company dated February 6, 2018 issued to our Company by the Registrar of Companies, Andhra Pradesh and Telangana, at Hyderabad. For further details pertaining to the incorporation and history of our Company, please refer to the chapter titled "*History and Certain Corporate Matters*" beginning on page 115 of this Red Herring Prospectus.

Corporate Identity Number: U24239TG2005PLC047102

Registered Office of our Company

Ahlada Engineers Limited
Door No 4-56, Survey No. 62/1/A & 67,
Tech Mahindra Road, Bahadurpally,
Qutbullapur Mandal, Hyderabad 500043,
Rangareddi, Telangana, India
Telephone: +91 98 6650 0811 / +91 98 6650 0822
E-mail: engineers@ahlada.com
Website: www.ahlada.com.

For details in relation to change in the location of the registered office of our Company, see *"History and Certain Corporate Matters"* on page 115.

Designated Stock Exchange

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, Maharashtra, India

Registrar of Companies

Our Company is registered at the Registrar of Companies, Andhra Pradesh and Telangana situated at the following address:

Registrar of Companies, Hyderabad
2nd Floor, Corporate Bhawan,
GSI Post, Tattiannaram Nagole,
Bandlaguda, Hyderabad – 500 068,
Telangana, India

Board of Directors of our Company

Set forth below are the details in respect of our Board of Directors as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Koduru Iswara Varaprasad Reddy	Chairman and Non-Executive Director	00196148	1-9-375/GWW/16, 17, Green Walk Ways, Rajendranagar, Rangareddy- 500 030, Andhra Pradesh, India
Chedepudi Suresh Mohan Reddy	Managing Director	00090543	Flat No.204, Samhitha Nilayam Enadu Colony, Kukatpally Hyderabad 500 072, Telangana, India
Kurre Raja Sekhar Reddy	Whole Time Director	00090733	Plot No.150, Janapriya West City Miyapur, Hyderabad 500 050, Telangana, India
Kuchuru Vinod Kumar Reddy	Whole Time Director	01696085	Plot No. 1-2-3, F-105, Devi Homes Syno 13, Kompally, Besaid Runway-9, Qutubullapur, Secundarabad, Hyderabad – 500 014, Andhra Pradesh, India

Name	Designation	DIN	Address
Konda Bala Gangadhara Reddy	Whole Time Director	02661099	Plot No, 171, Flat No. 401, Chandra Vihar, Eenaradu Colony, Kukatapally, Hyderabad- 500 072, Andhra Pradesh, India
Ravindra Vikram Mamidipudi	Independent Director	00008241	House No. 16, Cardmaster Road, Arihant Enclave, 205 Akbar Road, Tirumalagiri, Manovikasnaga, Hyderabad- 500 009, Andhra Pradesh, India
Sravanthi Koduru	Non- Executive Director	01593189	Plot No. 822 A, Road No. 40, Jubilee Hills, Hyderabad- 500 034, Telangana, India
Bhaskara Reddy Nallapureddy	Independent Director	08084679	Flat No.108, Prithvi Homes, A-Block Spring Fileds Colony, Jeedimetla, Quthbu Llapur, Hyderabad 500 055, Telangana, India
Kameswara Sarma Bulusu	Independent Director	00441074	6-3-533-535, Pavani Villa's Dwarakapuri Colony, Panjagutta, Hyderabad 500 082, Telangana, India
Krishna G V Giri	Independent Director	07289689	Plot 4/21, Amara Samudra, MGR Road, Palavakkam, Kancheepuram - 600 041, Tamil Nadu, India

For detailed profile of our Directors, please refer to the chapter titled "*Our Management*" on page 121 of the Red Herring Prospectus.

Chief Financial Officer

A. Narasimha Rao, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

Door No 4-56, Survey No. 62/1/A & 67,
Tech Mahindra Road, Bahadurpally,
Qutbullapur Mandal, Hyderabad 500 043,
Rangareddi, Telangana, India
Telephone: +91 96 7663 3733
E-mail: anr@ahlada.com

Company Secretary and Compliance Officer

Pusuluru Kodanda Rami Reddy is the Company Secretary and Compliance Officer of our Company. His contact details are set forth hereunder.

Door No 4-56, Survey No. 62/1/A & 67,
Tech Mahindra Road, Bahadurpally,
Qutbullapur Mandal, Hyderabad 500 043,
Rangareddi, Telangana, India
Telephone: +91 94 4091 0081
E-mail: kodanda.cs@ahlada.com

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

Book Running Lead Manager	Registrar to the Issue
Saffron Capital Advisors Private Limited 605, Sixth Floor, Center Point, Andheri - Kurla Road, J.B. Nagar, Andheri (East), Mumbai – 400 059, Maharashtra, India **Telephone:** +91 22 4082 0901/0915 **Facsimile:** +91 22 4082 0999 **Email:** sme.ipos@saffronadvisor.com **Website:** www.saffronadvisor.com **Investor Grievance ID:** investorgrievance@saffronadvisor.com **Contact Person:** Abhijit Diwan/Gaurav Khandelwal **SEBI Registration Number:** INM 000011211 **Validity of Registration:** Permanent	**Bigshare Services Private Limited** 1st Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059, Maharashtra, India **Telephone:** +91 22 6263 8200 **Facsimile:** +91 22 6263 8299 **E-mail:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Investor grievance ID:** investor@bigshareonline.com **Contact person:** Babu Raphael **SEBI Registration No:** INR000001385 **Validity of Registration:** Permanent

Legal Counsel to the Issue	Statutory and Peer Review Auditors of the Company
M/s. Crawford Bayley & Co. State Bank Building, 4th Floor,	**M/s. Kishore & Venkat Associates** Chartered Accountants

N.G.N Vaidya Marg, Fort, Mumbai – 400 001, Maharashtra, India **Telephone:** +91 22 2266 8000 **Fax No.:** +91 22 2266 3978 **E-mail:** sanjay.asher@crawfordbayley.com	#130/2RT, Sanjeeva Reddy Nagar, Hyderabad- 500 038, Telangana, India **Telephone**: +91 040 2370 1812 **Email:** kvca87@yahoo.com **Contact Person**: M V Ramana Reddy **Membership No.:** 026845 **Firm Registration No**.: 001807S **Peer Review Certificate No.:** 007928

Banker to the Issue/ Refund Bank	**Bankers to our Company**
Axis Bank Limited Ground Floor, Vallabh Darshan Building, Shree Poddar Road, near Subway, Malad East, Mumbai – 400 097, Maharashtra, India **Telephone:** +91 22 2844 1994/95/99 **E-mail:** maladeast.branchhead@axisbank.com **Contact Person:** Sahana Mallya **SEBI Registration Number:** INB100000017	**State Bank of India** Commercial Branch, Surya Towers, Secunderabad - 500 003, Telangana, India **Telephone:** + 91 040 2784 1161/98858 99851 **Fax No.:** + 91 040 2781 2128 **Email:** srinivas.pamu@sbi.co.in **Contact Person:** P. Srinivasu

Syndicate Members	
Saffron Equity Advisors Private Limited H-130, Bhoomi Green, Raheja Estate, Kulupwadi, Boriwali, (East), Mumbai – 400 066, Maharashtra, India **Telephone:** +91 22 4082 0912 **Fax:** +91 22 4082 0999 **Email:** dilip@saffronadvisor.com **Contact Person:** Mr. Dilip Bangar **Website:** www.saffronadvisor.com **SEBI Registration Number:** INZ000174937	**Sunidhi Securities and Finance Limited** 8th Floor, Kalpataru Inspire, Opp. Grand Hyatt Hotel Santacruz East, Mumbai – 400 055 Maharashtra, India **Telephone:** +91 22 6677 1777/78 **Fax:** +91 22 6677 1775 **Email:** maheshdesai@sunidhi.com **Contact Person:** Mahesh Desai **Website:** www.sunidhi.com **SEBI Registration Number:** INZ000169235

Investor Grievances

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Investor should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, address of the Investor, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

Additionally, for all Issue related queries and for redressal of complaints, investors may also write to the BRLM or the registrar to Issue, in the manner provided herein above.

Designated Intermediaries

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Syndicate SCSB Branches

In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the members of Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35).

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the NSE at www.nseindia.com, as updated from time to time.

Registrar to the Issue and Share Transfer Agent

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone numbers, and e-mail address, are provided on the website of Stock Exchange at www.nseindia.com, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at www.nseindia.com, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

IPO Grading

This being an Issue in terms of Chapter XB of the SEBI (ICDR) Regulations, appointment of an IPO Grading agency is not required.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Brokers to the Issue

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

Experts

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

M/s. Kishore & Venkat Associates, Chartered Accountants have given their consent to include their name as an "expert" under Section 26 of the Companies Act, 2013 in respect of their reports, both dated May 9, 2018 on the Restated Standalone and Audited Financial Statements, which have been included in this Red Herring Prospectus. M/s. Kishore & Venkat Associates, Chartered Accountants, have also given their consent to include their name as an "expert" under Section 26 of the Companies Act, 2013 in respect of the report dated May 9, 2018 on statement of special tax benefits available for our Company and its shareholders, which have been included in this Red Herring Prospectus. However, the term "expert" and consent thereof does not represent an "expert" or consent within the meaning under the Securities Act.

Such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Debenture Trustees

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

Trustees

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

Monitoring Agency

There is no requirement for a Monitoring Agency in terms of sub regulation (1) Regulation 16 of SEBI (ICDR) Regulations since the Issue size is less than ₹ 10,000 lakhs. However, as per Regulation 18(3) of the SEBI Listing Regulations and Section 177 of the Companies Act our Audit Committee, would be monitoring the utilization of the proceeds of the Issue.

Appraising Entity

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

Inter-se Allocation of Responsibilities

Saffron Capital Advisors Private Limited being the sole Book Running Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof. If our Company withdraws the Issue at any time after the Issue Opening Date but before the Allotment of Equity Shares, our Company will issue a public notice within two (2) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) 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.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus. If our Company withdraws the Issue after the Issue Closing Date and thereafter determine that they want to proceed with the Issue, our Company will file a fresh Red Herring Prospectus with the Stock Exchange.

Book Building Process

Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid cum Application Form. The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM and published in all editions of English national daily newspaper, Business Standard with wide circulation, all editions of the Hindi national newspaper, Business Standard with wide circulation and all editions of a Telugu newspaper, Surya (Telugu being the regional language of Telangana where our Registered Office is located), at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website.

The Issue Price shall be determined by our Company in consultation with the BRLM after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

1. Our Company;
2. Book Running Lead Manager;
3. Syndicate Member(s) who are intermediaries registered with SEBI or registered as broker with National Stock Exchange of India Limited and eligible to act as Underwriters;
4. Designated Intermediaries; and
5. Registrar to the Issue.

The SEBI (ICDR) Regulations have permitted the Issue of securities to the public through the Book Building Process. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company wherein not more than 40.01% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further not less than 24.99% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

All Bidders can participate in the Issue only through the ASBA process. In accordance with the SEBI (ICDR) Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date.

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

For further details on the method and procedure for Bidding, please see section entitled "*Issue Procedure*" on page 277.

Illustration of Book Building Process and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue.).*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per equity share, Issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to Issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the Issue price at or below such cut-off price, i.e., at or below ₹ 22/-. All bids at or above this Issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a bid (refer the section titled "*Issue Procedure*" on page 277);
2. Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bidcum- Application Form.
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid-cum-Application Form. Based

on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.

4. Except for Bids on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the state of Sikkim, for Bids of all values ensure that you have mentioned your PAN allotted under the IT Act in the Bid-cum-Application Form. The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims. In accordance with the SEBI (ICDR) Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of the transaction;
5. Ensure that the Bid-cum-Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid-cum-Application Form.
6. ASBA Bidders can submit their Bids by submitting Bid-cum-Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or in physical form to the Designated Intermediaries. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that their Bid-cum-Application Form is not rejected;

Bid/Issue Programme

Below is the indicative timetable in respect to the Issue:

Event	Indicative date
Bid/Issue Opening Date	September 11, 2018
Bid/Issue Closing Date	September 18, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before September 24, 2018
Initiation of Refunds	On or before September 25, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before September 25, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before September 27, 2018

The above timetable, other than Issue Opening and Closing Dates, is indicative in nature and does not constitute any obligation or liability on our Company or the Book Running Lead Manager. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchange commences within 6 Working Days of the Issue Closing Date, the timetable may be subject to change for various reasons, including extension of the Issue Period by our Company or any delays in receipt of final listing and trading approvals from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange in accordance with applicable law. All Applications, including any revision Applications will be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Issue Period at the Designated Branches (a list of such branches is available at the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised- Intermediaries) or with the members of the Syndicate at the Specified Locations or with the Registered Brokers at the Broker Centres (a list of such Broker Centres is available at the websites of the Stock Exchange), as the case may be. On the Bid/Issue Closing Date, the Bids and any revision in the Bids shall be accepted only between **10.00 a.m. and 3.00 p.m.** (IST) and shall be uploaded until (i) **4.00 p.m.** (IST) in case of Bids by QIB Bidders and Non-Institutional Bidders, and (ii) until **5.00 p.m**. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of applications received up to the closure of timings and reported by the BRLM to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic bidding system would be rejected. Bids will be accepted only on Working Days, i.e. Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. If a large number of Applications are received on the Issue Closing Date, which may lead to some Applications not being uploaded due to lack of sufficient time to upload, such Applications that cannot be uploaded on the electronic system will not be considered for allocation in the Issue. Our Company, Book Running Lead Manager, the members of the Syndicate, the SCSBs and the Registered Brokers will not be responsible for any failure in uploading Applications due to faults in any hardware/software system or otherwise.

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Offer Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members.

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

Underwriting Agreement

The Company and the Book Running Lead Manager confirm that the Issue is 100% Underwritten by the Book Running Lead Manager in accordance with the Underwriting Agreement dated August 28, 2018 entered into by and between our Company and the Book Running Lead Manager. The obligation of the Book Running Lead Manager is subject to certain terms and Underwriting Agreement contains certain conditions as specified therein. Details of the Underwriting commitment of the Book Running Lead Manager is as follows:

(₹ in Lakhs)

Name, address, telephone number, Facsimile and e-mail addresses of the Underwriter	Indicative Number of Equity Shares to be Underwritten*	Amount Underwritten	% of the total Issue size Underwritten
Saffron Capital Advisors Private Limited 605, 6th Floor, Center Point, Andheri - Kurla Road, J.B. Nagar, Andheri (East), Mumbai - 400 059 **Telephone number:** +91 22 4082 0900 **Fax:** +91 22 4082 0999 **E-mail:** sme.ipos@saffronadvisor.com	34,05,000	[●]	100.00%

**This is inclusive of 1,71,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to comply with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, as amended.*

As per Regulation 106P (2) of SEBI (ICDR) Regulations, the BRLM has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the Underwriter are sufficient to enable it to discharge its underwriting obligations in full. The abovementioned Underwriter is registered with SEBI under section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Details of Market Making Arrangement for the Issue

Our Company has entered into a Market Making Agreement dated August 28, 2018 with the BRLM and the following Market Maker for fulfilling the Market Making obligations under this Issue:

Name	Saffron Equity Advisors Private Limited
Address	H-130, Bhoomi Green, Raheja Estate, Kulupwadi, Boriwali, (East), Mumbai – 400 066, Maharashtra, India
Telephone	+91 22 4082 0912
Facsimile	+91 22 4082 0999

E-mail	dilip@saffronadvisor.com
Contact Person	Dilip Bangar
Website	www.saffronadvisor.com
SEBI Registration No.	INZ000174937

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

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

1. The Market Maker, shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by NSE. Further, the Market Maker shall inform NSE in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2. The prices quoted by Market Maker shall be in compliance with the Market Makers Spread Requirements and other particulars as specified or as per the requirements of the NSE Emerge Platform and SEBI from time to time.

3. The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹1,00,000/- shall be allowed to offer their holding to the Market Maker, as applicable, in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

4. After completion of the first three (3) months of market making, in terms of SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; the Market Maker shall be exempt from providing buy quote if the Shares of Market Maker in the Company reaches to 25% of Size. Any Equity Shares allotted to Market Maker under this Issue over and above 1,71,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of the Market Maker in the Company reduces to 24% of Issue Size, the Market Maker will resume providing two (2) way quotes. Further, the Market Maker can offer buy quotes only after the Market Maker complies with prescribed re-entry threshold limits. Only those Equity Shares which have been acquired by the Market Maker on the EMERGE Platform of NSE during market making process shall be counted towards the Market Maker's threshold. The Market Maker shall be required to provide two way quotes during the first three months of the market making irrespective of the level of holding.

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

6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the EMERGE Platform of NSE (in this case currently the minimum trading lot size is 1,000 Equity Shares; however the same may be changed by the EMERGE Platform of NSE from time to time).

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

8. The shares of the Company will be traded in continuous trading session from the time and day the Company gets listed on EMERGE Platform of NSE and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

9. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the EMERGE Platform of NSE.

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

11. The Market Maker shall not buy the Equity Shares from the Promoter or Persons belonging to the Promoter Group of Ahlada or any person who has acquired shares from such Promoter or person belonging to Promoter

Group, during the compulsory market making period.

12. The Promoter's holding of Ahlada shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoter's holding of Ahlada which is not locked-in as per the SEBI (ICDR) Regulations, 2009 as amended, can be traded with prior permission of the EMERGE Platform of NSE, in the manner specified by SEBI from time to time.

13. The Book Running Lead Manager, if required, has the right to appoint a Nominee Director on the Board of the Issuer any time during the compulsory market making period provided it meets the requirements as per the clause 106 V (8) of SEBI (ICDR) Regulations, 2009.

14. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer at any particular level and is purely supposed to facilitate liquidity on the counter of Ahlada via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.

15. There would not be more than five (5) Market Makers per scrip at any point of time and the Market Maker may compete with other Market Makers for better quotes to the investors.

16. The Market Maker has to act in that capacity for a period of three (3) years.

17. The Market Maker shall have the right to terminate said arrangement by giving a three (3) months notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

    In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on Working Days.

18. **Risk containment measures and monitoring for Market Maker:**

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

19. **Punitive Action in case of default by Market Maker**:

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

20. **Price Bands and Spreads:**

    The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

21. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker during market making process has been made applicable, based on the Issue size and

as follows:

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

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

CAPITAL STRUCTURE

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

No.	Particulars	Amount (in ₹ Lakhs)	
		Aggregate nominal value	Aggregate value at Issue Price
A.	**Authorised Share Capital**		
	150,00,000 Equity Shares of ₹ 10 each	1,500.00	
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	95,16,000 Equity Shares of ₹ 10 each	951.60	
C.	**Present Issue in terms of this Red Herring Prospectus**		
	Public Issue of up to 34,05,000 Equity Shares^ of face value ₹10 each at a Premium ₹[●] per Equity Share	340.50	[●]
	Consisting of		
	Reservation for Market Maker portion		
	Up to 1,71,000 Equity Shares* of ₹10 each at a premium of ₹ [●] per Equity Share	17.10	[●]
	Net Issue to the Public		
	Up to 32,34,000 Equity Shares* of ₹10 each at a premium of ₹ [●] per Equity Share	323.40	[●]
	Of which		
	Qualified Institutional Buyers Portion of not more than 40.01% of the Net Issue to the Public aggregating not more than 12,94,000 Equity Shares*	129.40	[●]
	Of which		
	- Available for allocation to Mutual Funds, (5% of the QIB Portion)	6.47	[●]
	- Balance available for QIBs including Mutual Funds	122.93	[●]
	Non-Institutional Portion of not less than 24.99% of the Net Issue aggregating not less than 8,08,000 Equity Shares*	80.80	[●]
	Retail Portion of not less than 35% of the Net Issue aggregating not less than 11,32,000 Equity Shares*	113.20	[●]
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue**		
	1,29,21,000 Equity Shares* of face value of ₹10 each	1292.10	[●]
E.	**Securities Premium Account**		
	Before the Issue	1,544.37	
	After the Issue	[●]	

^The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on April 12, 2018, and by the shareholders of our Company vide a special resolution passed pursuant to section 62 of the Companies Act, 2013 at the EGM held on April 20, 2018.

** Number of shares may need to be adjusted for lot size upon determination of issue price and finalisation of basis of allotment.*

Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10.00 each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was ₹ 1 Lakh consisting of 10,000 Equity Shares of ₹ 10 each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
February 10, 2006	₹ 1,00,000 consisting of 10,000 Equity	₹ 95,00,000 consisting of 9,50,000	EGM

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
	Shares of ₹ 10 each	Equity Shares of ₹ 10 each	
February 2, 2008	₹ 95,00,000 consisting of 9,50,000 Equity Shares of ₹ 10 each	₹ 3,50,00,000 consisting of 35,00,000 Equity Shares of ₹ 10 each	EGM
March 16, 2009	₹ 3,50,00,000 consisting of 35,00,000 Equity Shares of ₹ 10 each	₹ 4,00,00,000 consisting of 40,00,000 Equity Shares of ₹ 10 each	EGM
January 3, 2013	₹ 4,00,00,000 consisting of 40,00,000 Equity Shares of ₹ 10 each	₹ 4,50,00,000 consisting of 45,00,000 Equity Shares of ₹ 10 each	EGM
December 23, 2017	₹ 4,50,00,000 consisting of 45,00,000 Equity Shares of ₹ 10 each	₹ 15,00,00,000 consisting of 1,50,00,000 Equity Shares of ₹ 10 each	EGM

NOTES TO CAPITAL STRUCTURE

1. History of Equity Share Capital of our Company

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid -up Capital (₹)	Cumulative securities premium (₹)
Upon Incorporation*	10,000	10	10	Cash	Subscription to Memorandum of Association dated August 8, 2005[(1)]	10,000	1,00,000	Nil
February 10, 2006	9,40,000	10	10	Cash	Further Allotment [(2)]	9,50,000	95,00,000	Nil
July 21, 2008	4,75,000	10	-	-	Bonus Issue[(3)]	14,25,000	1,42,50,000	Nil
July 28, 2008	1,88,000	10	10	Cash	Further Allotment[(4)]	16,13,000	1,61,30,000	Nil
August 6, 2008	1,50,000	10	10	Cash	Further Allotment[(5)]	17,63,000	1,76,30,000	Nil
October 15, 2008	8,87,600	10	20	Cash	Further Allotment[(6)]	26,50,600	2,65,06,000	88,76,000
October 22, 2008	62,400	10	20	Cash	Further Allotment[(7)]	27,13,000	2,71,30,000	95,00,000
July 9, 2009	9,40,000	10	20	Cash	Further Allotment[(8)]	36,53,000	3,65,30,000	1,89,00,000
March 30, 2012	150,000	10	20	Cash	Further Allotment[(9)]	38,03,000	3,80,30,000	2,04,00,000
January 2, 2013	1,25,000	10	20	Cash	Further Allotment[(10)]	39,28,000	3,92,80,000	2,16,50,000
March 28, 2013	1,42,000	10	20	Cash	Further Allotment[(11)]	40,70,000	4,07,00,000	2,30,70,000
August 30, 2013	3,08,000	10	130	Cash	Further Allotment[(12)]	43,78,000	4,37,80,000	6,00,30,000
January 23, 2018	43,78,000	10	-	-	Bonus Issue[(13)]	87,56,000	8,75,60,000	6,00,30,000
May 5, 2018	7,60,000	10	134	Cash	Preferential Allotment[(14)]	95,16,000	9,51,60,000	15,44,36,500

**Date of incorporation of our Company is August 10, 2005.*

(1) Subscription of to the MOA for the total of 10,000 by Chedepudi Suresh Mohan Reddy for 5,100 Equity Shares, Kurre Raja Sekhar Reddy and N. Sukruta Kumar for 1,700 Equity Shares each and Chedepudi Sridevi for 1500 Equity Shares.

(2) Further Allotment of a total of 9,40,000 Equity Shares to Chedepudi Sridevi (5,21,000), Kurre Raja Sekhar Reddy (1,59,800), Nemani Sukrula Kumar (1,59,800), Chedepudi Suresh Mohan Reddy (23,400) and Kuchuru Vinod Kumar Reddy (76,000).

(3) Further Allotment of bonus shares of 4,75,000 Equity Shares in the ratio 2:1to Chedepudi Sridevi (2,61,250), Nemani Sukrula Kumar (80,750), Kurre Raja Sekhar Reddy (80,750), Kuchuru Vinod Kumar Reddy (38,000) and Chedepudi Suresh Mohan Reddy (14,250).

(4) Further Allotment of a total of 1,88,000 Equity Shares to B. Gopal Reddy (19,000), A. Pedda Komaraiah (1,00,000), B. Rami Reddy (19,000), and B. Venkata Reddy (50,000).

(5) Further Allotment of 1,50,000 Equity Shares to K. Srinivasa Reddy.

(6) Further Allotment of a total of 8,87,600 Equity Shares to Chedepudi Suresh Mohan Reddy (8,60,100) and Chedepudi Sridevi (27,500).

(7) Further Allotment of 62,400 Equity Shares to Chedepudi Suresh Mohan Reddy.

(8) Further Allotment of a total of 9,40,000 Equity Shares to Adi Reddy G. (94,000), Anitha V. (5,000), Anil Reddy S. (27,200), Ashok

A. (50,000), Konda Bala Gangadhara Reddy (1,50,000), Gopal Reddy V. (40,000), Kamala K. (100), Kavitha V. (33,300), Koti Reddy K. (1,33,300), Madhusudhan Reddy Ch.(33,300), Pedda Komaraiah A.(50,000), Prasad K.V.L. (35,000), Praveen Kumar K. (15,300), Raghu Ram Reddy Ch. (49,000), Rambabu B. (65,000), Siva Rama Krishna Reddy K (100), Siva Reddy G. (84,400), Sri Ram Reddy G.(5,000), Suresh Reddy K. (20,000), Vasudeva Reddy K. (37,500) and Venkateswara Reddy K. (12,500).

(9) Further Allotment of 1,50,000 Equity Shares to Chedepudi Suresh Mohan Reddy.

(10) Further Allotment of 1,25,000 Equity Shares to Konda Bala Gangadhara Reddy.

(11) Further Allotment of 1,42,000 Equity Shares to Chedepudi Suresh Mohan Reddy.

(12) Further Allotment of a total of 3,08,000 Equity Shares to Nedurumalli Gautam Kumar (77,000), SVAS Investments Private Limited (1,54,000) and Koduru Iswara Varaprasad Reddy (77,000).

(13) Further Allotment of bonus shares of 4,75,000 Equity Shares in the ratio 1:1to Chedepudi Suresh Mohan Reddy (29,49,550), Kurre Raja Sekhar Reddy (2,38,500), Koduru Iswara Varaprasad Reddy (77,000), Kuchuru Vinod Kumar Reddy (1,61,500), Konda Bala Gangadhara Reddy (2,75,000), Chedepudi Sridevi (1500), B. Venkata Reddy (2,00,150), Ashok A. (20000), Gopal Reddy V. (40,000), V. Kavitha (33,300), Pedda Komaraiah A.(50,000), Raghu Ram Reddy Ch. (81,300), G. Pratap Reddy (66,200), Jitender (30,000) and SVAS Investments Private Limited (1,54,000).

(14) Preferential Allotment of 7,60,000 Equity Shares to Amit Gunchandra Mehta (35,000), Chirag Ranjit Negandhi (75,000), Jagdish Naresh Master (3,25,000) and M/s Pivotal Enterprises Private Limited (3,25,000).

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

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

3. **Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
July 21, 2008	4,75,000	10	-	Bonus issue in the ratio of 2:1; authorised by our Board, pursuant to a resolution passed at its meeting held on July 21, 2008, and by our Shareholders pursuant to a resolution passed at the EGM held on July 21, 2008*	-	Bonus Issued out of General Reserves
January 23, 2018	43,78,000	10	-	Bonus issue in the ratio of 1:1; authorised by our Board, pursuant to a resolution passed at its meeting held on January 23, 2018 and by our Shareholders pursuant to a resolution passed at the EGM held on January 23, 2018**	-	Bonus Issued out of General Reserves

** For list of allottees see note (3) of paragraph titled "History of Share capital of our Company" mentioned above.*

*** For list of allottees see note (13) of paragraph titled "History of Share capital of our Company" mentioned above.*

4. As on date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.

5. Our Company has not revalued its assets since inception and has not issued any Equity Shares by capitalizing any revaluation reserves.

6. Except as stated under, our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of the one year preceding the date of this Red Herring Prospectus:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of consideration	Reasons for allotment	Whether forming a part of Promoter Group
January 23, 2018	43,78,000	10	-	Other than cash	Bonus issue in the ratio of 1:1; authorised by our Board, pursuant to a resolution passed at its meeting held on January 23, 2018 and by our	Yes Bonus Shares issued to all shareholders, including the

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of consideration	Reasons for allotment	Whether forming a part of Promoter Group
					Shareholders pursuant to a resolution passed at the EGM held on January 23, 2018	promoter group
May 5, 2018	7,60,000	10	134	Cash	Preferential Allotment	No

7. Subject to the SEBI (ICDR) Regulations, there will be no further issue of Equity Shares whether by way of preferential issue or bonus issue or rights issue or in any other manner during the period commencing from the date of Red Herring Prospectus with the Stock Exchange until the Equity Shares issued through the Prospectus have been listed on the Stock Exchange.

8. Our Company presently does not have any intention, proposal, negotiation or consideration to alter its capital structure for a period of six months from the date of Issue opening, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we acquire companies / business or enter into joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures. Our Company has not entered into any acquisitions, joint ventures or strategic alliances as on the date of this Red Herring Prospectus and has not identified any strategic investments or acquisition opportunities.

9. **Details of Build-up, Contribution and Lock-In of Promoter's Shareholding**

i. Capital build-up of our Promoter as on date of filing of this Red Herring Prospectus

As on the date of this Red Herring Prospectus, the Promoter of our Company holds 65,07,096 Equity Shares, equivalent to 68.38% of the issued, subscribed and paid-up Equity Share capital of our Company and none of the Equity Shares held by the Promoter are subject to any pledge, except as follows: Our Promoter has executed a share pledge agreement dated August 31, 2017 for a loan aggregating to ₹ 500.00 lacs availed by our Company from Jain Sons Finlease Limited, which is secured by a commitment to create a pledge on 7,57,178 Equity Shares aggregating to 7.96% of our existing paid up share capital.

a. Set forth below are the details of the build – up of our Promoter' shareholding in our Company since incorporation:

Date of Allotment / acquisition	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
August 10, 2005	Subscription to the MOA	5,100	10	10	Cash	5,100	0.05	0.04
February 10, 2006	Further Allotment	23,400	10	10	Cash	28,500	0.25	0.18
July 21, 2008	Bonus Issue in the ratio of 2:1	14,250	10	-	Other than cash	42,750	0.15	0.11
October 15, 2008	Further Allotment	8,60,100	10	10	Cash	9,02,850	9.04	6.66
October 22, 2008	Further Allotment	62,400	10	10	Cash	9,65,250	0.66	0.48
January 12, 2009	Transfer from Chedepudi Sridevi	8,09,750	10	10	Cash	17,75,000	8.51	6.27
November 30, 2009	Transfer from K. Srinavasa Reddy	1,50,000	10	10	Cash	19,25,000	1.58	1.16
December 4, 2009	Transfer from K.Venkata. Lohit . Prasad	35,000	10	20	Cash	19,60,000	0.37	0.27
December 5, 2009	Transfer from Kurre Raja	80,750	10	10	Cash	20,40,750	0.85	0.63

Date of Allotment / acquisition	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
	Sekhar Redd							
December 15, 2009	Transfer from N. Sukruta Kumar	80,750	10	10	Cash	21,21,500	0.85	0.63
	Transfer from Kuchuru Vinod Kumar Reddy	38,000	10	10	Cash	21,59,500	0.40	0.29
December 25, 2009	Transfer to B. Sujatha	(83,300)	10	10	Cash	20,76,200	-0.88	-0.64
December 29, 2009	Transfer from A. Komaraiah	90,000	10	10	Cash	21,66,200	0.95	0.70
October 21, 2010	Transfer to G. Pratap Reddy	(66,200)	10	10	Cash	21,00,000	-0.70	-0.51
	Transfer to C. Raghu Ram Reddy	(1,31,400)	10	10	Cash	19,68,600	-1.38	-1.02
	Transfer to D. Prasad Rao	(16,600)	10	20	Cash	19,52,000	-0.17	-0.13
June 12, 2012	Transfer from B. Gopal Reddy	9,000	10	20	Cash	19,61,000	0.09	0.07
	Transfer from B. Rami Reddy	19,000	10	20	Cash	19,80,000	0.20	0.15
June 27, 2012	Transfer from S. Madhusudhan Reddy	33,300	10	20	Cash	20,13,300	0.35	0.26
	Transfer from K. Koti Reddy	1,33,300	10	20	Cash	21,46,600	1.40	1.03
August 23, 2012	Transfer from Akinaboina Komaraiah	10,000	10	20	Cash	21,56,600	0.11	0.08
	Transfer from B. Gopal Reddy	9,000	10	20	Cash	21,65,600	0.09	0.07
	Transfer from N. Sukruta Kumar	1,14,900	10	20	Cash	22,80,500	1.21	0.89
March 30, 2012	Further Allotment	1,50,000	10	20	Cash	24,30,500	1.58	1.16
March 28, 2013	Further Allotment	1,42,000	10	20	Cash	25,72,500	1.49	1.10
June 19, 2013	Transfer to B. Venkata Reddy	(66,850)	10	20	Cash	25,05,650	-0.70	-0.52
	Transfer to P. Jithendra	(30,000)	10	20	Cash	24,75,650	-0.32	-0.23
June 4, 2013	Transfer from C. Raghu Ram Reddy	41,300	10	20	Cash	25,16,950	0.43	0.32

Date of Allotment / acquisition	Nature of transaction	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue / transfer price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	Cumulative number of Equity Shares	% of pre issue capital	% of post issue capital
July 10, 2013	Transfer from B Gopal Reddy	1,000	10	20	Cash	25,17,950	0.01	0.01
	Transfer from V Anitha	5,000	10	20	Cash	25,22,950	0.05	0.04
	Transfer from G Adi Reddy	84,000	10	20	Cash	26,06,950	0.88	0.65
May 6, 2015	Transfer from B. Ram Babu	65,000	10	20	Cash	26,71,950	0.68	0.50
November 30, 2015	Transfer from N.Sukruta Kumar	16,600	10	20	Cash	26,88,550	0.17	0.13
	Transfer from G. Adi Reddy	55,000	10	20	Cash	27,43,550	0.58	0.43
	Transfer from A Ashok	30,000	10	20	Cash	27,73,550	0.32	0.23
	Transfer from G. Siva Reddy	84,400	10	20	Cash	28,57,950	0.89	0.65
	Transfer from K.T. Suresh Reddy	20,000	10	20	Cash	28,77,950	0.21	0.15
October 24, 2016	Transfer from G. Sri Ram Reddy	55,000	10	20	Cash	29,32,950	0.58	0.43
	Transfer from D. Prasad Rao	16,600	10	20	Cash	29,49,550	0.17	0.13
January 23, 2018	Bonus Issue in the ratio of 1:1	29,49,550	10	-	Other than cash	58,99,100	31.00	22.83
May 19, 2018	Transfer from A Pedda Komariah	50,000	10	134	Cash	59,49,100	0.53	0.39
	Transfer from V Gopal Reddy	28,000	10	134	Cash	59,77,100	0.29	0.22
	Transfer from B Venkata Reddy	11,660	10	134	Cash	59,88,760	0.12	0.09
	Transfer from C Raghu Ram Reddy	36,910	10	134	Cash	60,25,670	0.39	0.29
	Transfer from G Pratap Reddy	1,650	10	134	Cash	60,27,320	0.02	0.01
	Transfer from Konda Bala Gangadhara Reddy	1,80,000	10	134	Cash	62,07,320	1.89	1.39
	Transfer from Kurre Rajasekhar Reddy	23,176	10	134	Cash	62,30,496	0.24	0.18
	Transfer from Kuchuru Vinod Kumar Reddy	2,13,600	10	134	Cash	64,44,096	2.24	1.65
	Transfer from P Jitendra Reddy	60,000	10	134	Cash	65,04,096	0.63	0.46
May 19, 2018	Transmission from Chedepudi Sridevi	3,000	10	-	Shares transmitted to legal heir on demise	65,07,096	0.03	0.02
	Total	**65,07,096**					**68.38**	**50.36**

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

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

Sr. No.	Name of the Shareholders	Pre Issue		Post Issue	
		No. of Equity Shares	Percentage of issued Equity Share capital (%)	No. of Equity Shares	Percentage of issued Equity Share capital (%)
Promoter					
1.	Chedepudi Suresh Mohan Reddy	65,07,096	68.38	65,07,096	50.36
Total (A)		**65,07,096**	68.38	**65,07,096**	**50.36**
Promoter Group					
2.	None of the members forming part of promoter group hold any Equity Shares of our Company	--	--	--	--
Total (B)		--	--	--	--
Total (A+B)		**65,07,096**	**68.38**	**65,07,096**	**50.36**

ii. Details of Promoter contribution locked in for three years.

Pursuant to Regulation 32 and 36 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoter shall be locked in for a period of three years from the date of Allotment ("**Minimum Promoter' Contribution**").

The lock-in of the Minimum Promoter' Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter's Contribution:

Number of Equity Shares locked-in	Nature of Allotment / Transfer	Date of Allotment	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	% of fully diluted post- Issue paid-up capital
Chedepudi Suresh Mohan Reddy					
25,84,000^	Bonus	January 23, 2018	10	--	20.00
TOTAL					20.00

^ Details of Minimum Promoter's Contribution shall be determined and number of shares suitably updated/increased on finalizing the basis of allotment.

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter' Contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 33 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- Equity Shares acquired three years before the filing of the Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalisation of intangible assets, involved in such transactions or resulting from a bonus issue by utilization of revaluation reserves or unrealised profits of our Company or from bonus issue against Equity Shares which are ineligible for computation of Minimum Promoter' Contribution;

- Equity Shares acquired by our Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to the public in the Issue;

- Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Minimum Promoter's Contribution subject to lock-in;

- Equity Shares held by our Promoter that are subject to any pledge.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoter upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoter and the members of the Promoter Group are held in

dematerialized form.

In terms of undertaking executed by our Promoter, Equity Shares forming part of Promoter's Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of this Red Herring Prospectus till the date of commencement of lock in period as stated in this Red Herring Prospectus.

Other than the Equity Shares locked-in as Promoter's Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter' Contribution, as per Regulation 36 and 37 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

Other requirements in respect of 'lock-in'

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoter prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, 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.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoter which are locked in as per the provisions of Regulation 36 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoter / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 39 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- If the specified securities are locked-in in terms of sub-regulation (a) of Regulation 36 of the SEBI (ICDR) Regulations, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and the pledge of specified securities is one of the terms of sanction of the loan;

- If the specified securities are locked-in in terms of sub-regulation (b) of Regulation 36 of the SEBI (ICDR) Regulations and the pledge of specified securities is one of the terms of sanction of the loan.

An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Issue as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased so as to ensure that 20% of the Post Issue paid-up capital is locked in for 3 years.

The Equity Shares held by persons other than our Promoter and locked-in for a period of one year from the date of Allotment may be transferred to any other person holding the 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 SEBI Takeover Regulations.

10. Shareholding Pattern of our Company

a. The table below represents the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+ (++VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter and Promoter Group	1	65,07,096	--	--	65,07,096	68.38	65,07,096	65,07,096	68.38	--	--	--	--	7,57,178	7.96	65,07,096
(B)	Public	33	30,08,904	--	--	30,08,904	31.62	30,08,904	30,08,904	31.62	--	--	--	--	--	--	28,50,844*
(C)	Non Promoter-Non Public	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
(C1)	Shares underlying depository receipts	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
(C2)	Shares held by employee trusts	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Total		**34**	**95,16,000**	**--**	**--**	**95,16,000**	**100.00**	**95,16,000**	**95,16,000**	**100.00**	**--**	**--**	**--**	**--**	**7,57,178**	**7.96**	**93,57, 940**

**The balance 1,58,060 Equity Shares held by the public are also in the process of being dematerialised.*

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares

11. Equity Shares held by top ten shareholders

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

Sr. No.	Name of the Shareholders	No. of Equity Shares	Percentage of Equity Share capital
1.	Chedepudi Suresh Mohan Reddy	65,07,096	68.38
2.	Koduru Iswara Varaprasad Reddy	4,47,824	4.71
3.	Baddigam Venkata Reddy	3,60,640	3.79
4.	Pivotal Enterprises Private Limited	3,25,000	3.42
5.	Jagdish Naresh Master	3,25,000	3.42
6.	SVAS Investment Private Limited	3,08,000	3.24
7.	Bonthu Sada Siva Reddy	1,69,500	1.78
8.	Chandrahas Konda Reddy	1,58,500	1.67
9.	Sangeetha Koduru	1,18,000	1.24
10.	Chirra Raghu Ram Reddy	1,05,690	1.11
Total		**87,75,250**	**92.65**

b) Particulars of the top ten shareholders ten days prior filing of this Red Herring Prospectus.

Sr. No.	Name of the Shareholders	No. of Equity Shares	Percentage of Equity Share capital
1.	Chedepudi Suresh Mohan Reddy	65,07,096	68.38
2.	Koduru Iswara Varaprasad Reddy	4,47,824	4.71
3.	Baddigam Venkata Reddy	3,60,640	3.79
4.	Pivotal Enterprises Private Limited	3,25,000	3.42
5.	Jagdish Naresh Master	3,25,000	3.42
6.	SVAS Investment Private Limited	3,08,000	3.24
7.	Konda Bala Gangadhara Reddy	1,58,500	1.67
8.	Chandrahas Konda Reddy	1,58,500	1.67
9.	Sangeetha Koduru	1,18,000	1.24
10.	Chirra Raghu Ram Reddy	1,05,690	1.11
Total		**87,75,250**	**92.65**

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

Sr. No.	Name of the Shareholders	No. of Equity Shares	Percentage of Equity Share capital
1.	Chedepudi Suresh Mohan Reddy	28,77,950	65.74
2.	Konda Bala Gangadhara Reddy	2,75,000	6.28
3.	Kurre Rajasekhar Reddy	2,00,150	4.57
4.	Baddigam Venkata Reddy	1,61,500	3..69
5.	Kurchuru Vinod Kumar Reddy	1,61,500	3.69
6.	SVAS Investment Private Limited	1,54,000	3.52
7.	Chirra Raghu Ram Reddy	81,300	1.86
8.	Koduru Iswara Varaprasad Reddy	77,000	1.76
9.	Gaddam Pratap Reddy	77,000	1.76
10.	Akinaboina Pedda Komaraiah	66,200	1.51
Total		**41,31,600**	**94.38**

12. Except as disclosed below and under the heading *"Capital build-up of our Promoter as on date of filing of this Red Herring Prospectus"* on page 57 there have been no sale, purchase or subscription of our Company's securities by our Promoter, Promoter Group and our Directors within three years immediately preceding the date of this Red Herring Prospectus, which in aggregate is equal to or greater than 1.00% of the pre-Issue capital of our Company:

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (₹) unless otherwise stated	Percentage (%) of the pre-Issue capital
G. Sri Ram	Ch Suresh Mohan Reddy	October 24, 2016	55,000	20	11,00,000	0.01

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (₹) unless otherwise stated	Percentage (%) of the pre-Issue capital
D. Prasad Rao	Ch Suresh Mohan Reddy	October 24, 2016	16,600	20	3,32,000	0.00
N Gowtham Reddy	Kurre Rajasekhar Reddy	October 24, 2016	77,000	230	1,77,10,000	0.01
Konda Bala Gangadhara Reddy	Konda Chandrahas	May 19, 2018	1,58,500	134	2,12,39,000	1.67%
Konda Bala Gangadhara Reddy	Action Financial Services (India) Ltd	May 19, 2018	5,268	134	7,05,912	0.06%
Konda Bala Gangadhara Reddy	Avani Parekh	May 19, 2018	3,732	134	5,00,088	0.04%
Konda Bala Gangadhara Reddy	Sravanthi Koduru	May 19, 2018	20,000	134	26,80,000	0.21%
Konda Bala Gangadhara Reddy	Bonthu Sadasiva Reddy	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Bonthu Hemanth Kumar Reddy	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Bonthu Padmavathi	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Bonthu Gnana Deepthi	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Dammu Suneel Babu	May 19, 2018	4,000	134	5,36,000	0.04%
Kuchuru Vinod Kumar Reddy	Rithwik Sheth	May 19, 2018	15,000	134	20,10,000	0.16%
Kuchuru Vinod Kumar Reddy	Sumathi Arre	May 19, 2018	14,400	134	19,29,600	0.15%
Pedda Komariah	Ch Suresh Mohan Reddy	May 19, 2018	50,000	134	67,00,000	0.53%
V Gopal Reddy	Ch Suresh Mohan Reddy	May 19, 2018	28,000	134	37,52,000	0.29%
B Venkata Reddy	Ch Suresh Mohan Reddy	May 19, 2018	11,660	134	15,62,440	0.12%
C Raghu Ram Reddy	Ch Suresh Mohan Reddy	May 19, 2018	36,910	134	49,45,940	0.39%
G Pratap Reddy	Ch Suresh Mohan Reddy	May 19, 2018	1,650	134	2,21,100	0.02%
Konda Bala Gangadhara Reddy	Ch Suresh Mohan Reddy	May 19, 2018	1,80,000	134	2,41,20,000	1.89%
Kurre Rajasekhar Reddy	Ch Suresh Mohan Reddy	May 19, 2018	23,176	134	31,05,584	0.24%
Kuchuru Vinod Kumar Reddy	Ch Suresh Mohan Reddy	May 19, 2018	2,13,600	134	2,86,22,400	2.24%
P Jitendra Reddy	Ch Suresh Mohan Reddy	May 19, 2018	60,000	134	80,40,000	0.63%
Transmission from Chedepudi Sridevi	Ch Suresh Mohan Reddy	May 19, 2018	3,000	0.00	0.00	0.03%

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (₹) unless otherwise stated	Percentage (%) of the pre-Issue capital
Kurre Rajasekhar Reddy	Bonthu Umadevi	May 19, 2018	20,000	134	26,80,000	0.21%
Kurre Rajasekhar Reddy	B Vamsi Krishna Reddy	May 19, 2018	1,000	134	1,34,000	0.01%
Kurre Rajasekhar Reddy	Koduru Iswara Varapasad Reddy	May 19, 2018	2,93,824	134	3,93,72,416	3.09%
Kurre Rajasekhar Reddy	N Sangeetha	May 19, 2018	1,18,000	134	1,58,12,000	1.24%
Kurre Rajasekhar Reddy	Ravi K Mehta	May 19, 2018	5,000	134	6,70,000	0.05%
Kurre Rajasekhar Reddy	Bonthu Sadasiva Reddy	May 19, 2018	6,000	134	8,04,000	0.06%
A Ashok	Sravanthi Koduru	May 19, 2018	40,000	134	53,60,000	0.42%
Konda Bala Gangadhara Reddy	Bonthu Sadasiva Reddy	June 11, 2018	1,58,500	134	2,12,39,000	1.67%

13. Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

14. The Equity Shares, which are subjected to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock exchange before the listing of the Equity Shares.

15. During the six months preceding the date of filing this Red Herring Prospectus, there are no transactions in our Equity Shares, which have been purchased/(sold) by our Promoter, persons in promoter group or by the directors of our Promoter Company or by the Directors of our Company and their immediate relatives (as defined under sub-clause (zb) sub-regulation (1) Regulation 2 of the SEBI (ICDR) Regulations, 2009), except as mentioned herein below and under the heading *"Capital build-up of our Promoter as on date of filing of this Red Herring Prospectus" on page* 57:

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (₹) unless otherwise stated	Percentage (%) of the pre-Issue capital
Konda Bala Gangadhara Reddy	Konda Chandrahas	May 19, 2018	1,58,500	134	2,12,39,000	1.67%
Konda Bala Gangadhara Reddy	Action Financial Services (India) Ltd	May 19, 2018	5,268	134	7,05,912	0.06%
Konda Bala Gangadhara Reddy	Avani Parekh	May 19, 2018	3,732	134	5,00,088	0.04%
Konda Bala Gangadhara Reddy	Sravanthi Koduru	May 19, 2018	20,000	134	26,80,000	0.21%
Konda Bala Gangadhara Reddy	Bonthu Sadasiva Reddy	May 19, 2018	5,000	134	6,70,000	0.05%

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (₹) unless otherwise stated	Percentage (%) of the pre-Issue capital
Konda Bala Gangadhara Reddy	Bonthu Hemanth Kumar Reddy	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Bonthu Padmavathi	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Bonthu Gnana Deepthi	May 19, 2018	5,000	134	6,70,000	0.05%
Konda Bala Gangadhara Reddy	Dammu Suneel Babu	May 19, 2018	4,000	134	5,36,000	0.04%
Konda Bala Gangadhara Reddy	Ch Suresh Mohan Reddy	May 19, 2018	1,80,000	134	2,41,20,000	1.89%
Konda Bala Gangadhara Reddy	Bonthu Sadasiva Reddy	June 11, 2018	1,58,500	134	2,12,39,000	1.67%
Kuchuru Vinod Kumar Reddy	Rithwik Sheth	May 19, 2018	15,000	134	20,10,000	0.16%
Kuchuru Vinod Kumar Reddy	Sumathi Arre	May 19, 2018	14,400	134	19,29,600	0.15%
Kuchuru Vinod Kumar Reddy	Ch Suresh Mohan Reddy	May 19, 2018	2,13,600	134	2,86,22,400	2.24%
Pedda Komariah	Ch Suresh Mohan Reddy	May 19, 2018	50,000	134	67,00,000	0.53%
V Gopal Reddy	Ch Suresh Mohan Reddy	May 19, 2018	28,000	134	37,52,000	0.29%
B Venkata Reddy	Ch Suresh Mohan Reddy	May 19, 2018	11,660	134	15,62,440	0.12%
C Raghu Ram Reddy	Ch Suresh Mohan Reddy	May 19, 2018	36,910	134	49,45,940	0.39%
G Pratap Reddy	Ch Suresh Mohan Reddy	May 19, 2018	1,650	134	2,21,100	0.02%
P Jitendra Reddy	Ch Suresh Mohan Reddy	May 19, 2018	60,000	134	80,40,000	0.63%
Transmission from Chedepudi Sridevi	Ch Suresh Mohan Reddy	May 19, 2018	3,000	0.00	0.00	0.03%
Kurre Rajasekhar Reddy	Ch Suresh Mohan Reddy	May 19, 2018	23,176	134	31,05,584	0.24%
Kurre Rajasekhar Reddy	Bonthu Umadevi	May 19, 2018	20,000	134	26,80,000	0.21%
Kurre Rajasekhar Reddy	B Vamsi Krishna Reddy	May 19, 2018	1,000	134	1,34,000	0.01%
Kurre Rajasekhar Reddy	Koduru Iswara Varapasad Reddy	May 19, 2018	2,93,824	134	3,93,72,416	3.09%
Kurre Rajasekhar Reddy	N Sangeetha	May 19, 2018	1,18,000	134	1,58,12,000	1.24%
Kurre Rajasekhar Reddy	Ravi K Mehta	May 19, 2018	5,000	134	6,70,000	0.05%
Kurre Rajasekhar Reddy	B Sadasiva Reddy	May 19, 2018	6,000	134	8,04,000	0.06%

Name of the Transferor	Name of the Transferee	Date of Transfer	Number of Equity Shares	Price per Equity Shares (₹) unless otherwise stated	Aggregate Consideration (₹) unless otherwise stated	Percentage (%) of the pre-Issue capital
A Ashok	Sravanthi Koduru	May 19, 2018	40,000	134	53,60,000	0.42%

16. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing this Red Herring Prospectus.

17. All the existing Equity Shares are fully paid-up and as on the date of this Red Herring Prospectus, there are no partly paid-up Equity Shares.

18. Our Company, our Promoter, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being issued through the Issue from any person.

19. There are no safety net arrangements for this public issue.

20. As on date of this Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.

21. There shall be only one denomination of Equity Shares of our Company at any given time, unless otherwise permitted by law.

22. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.

23. An Applicant cannot make an Application for more than the number of Equity Shares issued in this Issue, subject to maximum limit of investment prescribed under relevant laws applicable to each category of investors.

24. In case of over-subscription in all categories the allocation in the Issue shall be decided in consultation with the Designated Stock Exchange i.e. NSE and also in terms of the extant SEBI (ICDR) Regulations.

25. Any oversubscription to the extent of 10% of the Net Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot while finalizing the Basis of Allotment.

26. Under subscription, if any, in any of the categories, except the QIB portion 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 Book Running Lead Manager and the Designated Stock Exchange i.e. NSE . Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

27. No person connected with the Issue, including, but not limited to, the Book Running Lead Manager, our Company, the Directors, the Promoter, and the Promoter Group, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Applicant.

28. Our Company has 34 (thirty four) shareholders as on the date of this Red Herring Prospectus.

29. Our Company has not made any public issue of any class or kinds of securities since its incorporation.

30. Our Promoter and the members of our Promoter Group will not participate in the Issue.

31. Details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of the Directors / Key Managerial Personnel	Number of Equity Shares	% of pre issue Equity Share capital
1.	Chedepudi Suresh Mohan Reddy	65,07,096	68.38
2.	Koduru Iswara Varaprasad Reddy	4,47,824	4.71
3.	Kurchuru Vinod Kumar Reddy	80,000	0.84
4.	Sravanthi Koduru	16,000	0.63
5.	Kurre Rajasekhar Reddy	10,000	0.11

32. Neither the Book Running Lead Manager nor any of their associates (determined as per the definition of 'associate company' under section 2(6) of the Companies Act, 2013) hold any Equity Shares in our Company. The Book Running Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in advisory and/or investment banking transactions with our Company, for which they may in the future receive customary compensation.

33. The Company shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of registering the Red Herring Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchange within 24 hours of such transactions being completed.

34. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.

35. For the details of related party transactions, please refer to chapter titled "*Related Party Transactions"* on page 149 of this Red Herring Prospectus.

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

SECTION IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Objects of the Issue for which the funds are being raised through this Initial Public Offer are as under:

1. Repayment of certain identified loans availed from lenders, Directors and our Promoter
2. Purchase of Machinery/Equipment
3. Funding of Working Capital Gap
4. General Corporate Purposes

(collectively, referred to as the "**Objects**")

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

Issue Proceeds

We intend to utilize the proceeds raised through the Issue (the "**Issue Proceeds**") after deducting the Issue related expenses ("**Net Proceeds**") for the abovementioned Objects. The details of the Issue Proceeds are summarized as follows:

(₹ in Lacs)

Particulars	Estimated Amount
Gross proceeds to be raised through the Issue	[•]
Less: Estimated Issue Expenses	[•]
Net Proceeds	[•]

Utilization of Net Proceeds

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

(₹ in Lacs)

Sr. No	Particulars	Estimated Amount
1.	Repayment of certain loans availed from lenders, Directors including our Promoter	650.00
2.	Purchase of Machinery/Equipment	1740.00
3.	Funding of Working Capital Gap	1700.00
4.	General Corporate Purposes	[•]
	Total	**[•]**

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

Schedule of Implementation and Deployment of Funds

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

(₹ in Lacs)

Sr. No	Particulars	Net Issue Proceeds	Estimated Utilization in Fiscal 2019
1.	Repayment of certain loans availed from lenders, Directors including our Promoter	650.00	650.00
2.	Purchase of Machinery/ equipment	1,740.00	1,740.00
3.	Funding of Working Capital Gap	1,700.00	1,700.00
4.	General Corporate Purposes	[•]	[•]
	Total	**[•]**	**[•]**

As of the date of this Red Herring Prospectus, our Company had not deployed any funds towards Objects of the Issue and proposed to be raised from the public issue. Our Company has however, incurred issue related expenses from the internal accruals, to the tune of ₹50.76 lacs, which will be recouped from the Issue Proceeds. The same

is certified by the statutory auditors of our Company M/s. Kishore & Venkat Associates, Chartered Accountants, vide their certificate dated August 25, 2018.

Our Company has made an advance payment of € 3.16 lacs (approximately ₹256.45 lacs) for the machineries proposed to be purchased as mentioned under the heading *"Details of Objects of the Issue - Purchase of machinery/equipment"* of this chapter. However, the Company has made the advance payment from the internal accruals, which shall not be funded/recouped from the public issue proceeds.

Details of Objects of the Issue

1. Repayment of certain loans availed by our Company from lenders, Directors and our Promoter

Our Company proposes to utilise an aggregate amount of ₹650 lacs from the Net Offer Proceeds towards full or partial re-payment or prepayment of the loans availed by our Company. The selection and extent of loans proposed to be repaid from our Company's loans mentioned below will be based on various commercial considerations including, among others, the costs, expenses and charges relating to the facility including interest rate of the relevant loan, the amount of the loan outstanding, the remaining tenor of the loan, presence of onerous terms and conditions under the facility, levy of any prepayment penalties and the quantum thereof, provisions of any law, rules, regulations governing such borrowings, terms of pre-payment to lenders, if any and mix of credit facilities provided by lenders.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to allotment. However, the aggregate amount to be utilised from the Net Offer Proceeds towards prepayment or repayment of loans in part or full, would not exceed ₹650 lacs. The prepayment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources at more favourable terms in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

As on July 31, 2018, there are loans availed by the Company, complete disclosure of which is mentioned in the chapter titled "*Financial Indebtedness*" on page 234 and in the section "*Financial Information*" on page 151. The tabular summary of the same is as follows:

(₹ in Lacs)

Sr. No	Particulars	As on July 31, 2018
1	Secured Loans	2,693.59
2	Working Capital Loans	2,705.34
3	Unsecured Loans from Banks/NBFCs^	657.90
4	Unsecured interest-free loans from Directors including our Promoter^	710.45
5	Vehicle Loans	70.76
	Total	**6,838.05**

^ *Identified Loans*

Breakup of Identified Loans proposed to be repaid:

(A) Unsecured Loans availed from Banks/NBFCs and which are proposed to be repaid, partly or fully are tabulated below:

(₹ in Lacs)

Name of the Bank	Loan Amount	Rate of Interest (%)	Closing Balance as on March 31, 2018	Closing Balance as on July 31, 2018
Jain Sons Finlease Ltd	500.00	17.25%	418.85	359.19
Aditya Birla Finance Ltd	75.00	18.65%	44.04	31.42
Fullerton India Credit Co Ltd	50.00	17.50%	29.22	20.81
India Infoline Finance Ltd	50.00	18.50%	29.34	20.93
Shriram City Union Finance Ltd	30.13	19.50%	18.96	13.99
Zen Lefin Pvt Ltd	75.00	18.50%	31.64	13.98

(B) Unsecured interest-free loans from our Promoter Director and which is proposed to be partly repaid up to Rs. 250 lacs is tabulated below:

(₹ in Lacs)

Name of the Promoter Director	Loan Amount outstanding as on March 31, 2018	Loan Amount outstanding as on July 31, 2018
Chedepudi Suresh Mohan Reddy	486.02	507.46

Details of Utilisation of Loan

As certified by our statutory auditors M/s. Kishore & Venkat Associates, Chartered Accountants, through their certificate dated August 25, 2018 the borrowings set out in the table above have been utilised for the purpose they were availed.

Our Company may avail further loans after the date of filing of this Red Herring Prospectus. If at the time of utilization of the Net Proceeds, any of the above mentioned loans are repaid in part or full or refinanced or if any additional amounts are drawn down on the working capital borrowing or if the limits under the working capital borrowing are increased, then the Company will utilize the Net Proceeds to pre-pay or repay such refinanced or additional debt, not exceeding ₹ 650.00 lacs.

2. **Purchase of machinery/equipment**

Our Company as on March 31, 2018 had a capacity of manufacturing 1,32,000 doors per annum, which can be increased to manufacture 3,40,400 doors per annum with the installation of the following key machineries. These machineries are proposed to be purchased from the Net proceeds.

Sr. No	Machinery details	Proforma Value (Amount in Euros)	Advance Paid (Amount in Euros)	Balance to be paid from IPO proceeds	
				(Amount in Euros)	(₹ Lacs) 1 Euro=80₹
1	1 set of CNC Punching Shearing Centre, Brand Salvagnini Model S4Xe.30 Country of Origin: Italy Contract No: IND-NM-2017-0028\3 dated December 20, 2017 Delivery on CIF at Nhava Sheva Port Includes installation, commissioning and training Supplier: Salvagnini Italia SPA Proposed installation at Unit No. 1 Used for Punching and Shearing	10,05,264	1,50,789 Paid Euro 1,50,789 on February 08, 2018	8,54,475	683.58

2	1 set of Panel bender system, Brand Salvagnini Model P4lean-2516 Country of Origin: Austria Contract No: IND-NM-2017-0028\4 dated December 20, 2017 Delivery on CIF at Nhava Sheva Port Includes installation, commissioning and training Supplier: Salvagnini MAS GmBH Proposed to installation at Unit No. 1 Used for Online Punching and Bending	7,70,000	1,15,500 Paid Euro 31,250 on April 23, 2018 Paid Euro 84,250 on May 09, 2018	6,54,500	523.60
3	2 sets of Double Glue spreader with indexing & double calendar for metallic honeycomb doors, Brand Barberan Country of Origin: Spain Contract No: WOT/A/PI-20171116/M dated November 16, 2017 Delivery on CIF at Chennai Includes installation, commissioning and training Supplier: Woodtech Consultants Pvt Ltd, Bangalore Proposed to installation at Unit No. 2 Used for Glue application, assembling and hard-press	5,00,000	50,000* *Paid in INR to Woodtech Consultants, Bangalore (₹ 40.00 lacs) on February 21, 2018	4,50,000^ ^Payment shall be made in INR as the supplier is an Indian entity based out of Bangalore	360.00
	Sub-total				1,567.18
	Add: Customs Duty @ 11%				172.39
	Total Cost				**1,739.57**
	Rounded off				**1,740.00**

Our Company intends to pay an amount ₹ 1,740 lacs towards purchasing the above-mentioned machineries from the IPO proceeds. None of the above machinery is being purchased on a second hand basis.

3. Funding of Working Capital gap

We are a manufacturing company and our business requires substantial working capital. Considering the current set up and the ramp-up to manufacture 3,40,400 doors per annum, we would require ₹ 11,890.32 lacs as additional working capital, of which ₹ 1,700 lacs is proposed to be met out of the issue proceeds. Debtors, advances, creditors

have been taken at various levels, which is in consonance with the industry practices and past trends. The estimates of working capital requirement are based on the management's internal estimates which are as follows:

(₹ in Lacs)

Sr. No	Particulars	31-Mar-16 Actual	31-Mar-17 Actual	31-Mar-18 Actual	31-Mar-19 Estimated
I	**Current Assets**				
	- Inventories	2,789.07	3,116.65	4,307.30	8,201.34
	- Trade Receivables	2,984.77	2,561.73	3,556.49	4,501.13
	- Cash & Cash Equivalents	186.17	159.09	225.13	232.00
	- Current Investments			-	-
	- Other Current Assets	886.92	1,623.10	1,077.55	4,618.00
	Total (A)	**6,846.93**	**7,460.57**	**9,166.46**	**17,552.47**
II	**Current Liabilities**				
	- Trade Payables	2,541.20	2,368.32	2,676.30	2,027.15
	- Short Term provisions	178.44	207.74	372.63	476.00
	- Other Current Liabilities	747.25	1,237.12	3,020.75	3,159.00
	Total (B)	**3,466.89**	**3,813.18**	**6,069.68**	**5,662.15**
III	**Total Working Capital Gap (A-B)**	**3,380.04**	**3,647.39**	**3,096.79**	**11,890.32**
	Funding pattern				
	- Internal Accruals	1,520.61	1,753.41	811.82	2,905.32
	- Working Capital from Banks	1,859.43	1,893.98	2,284.96	7,285.00
	- **IPO proceeds**	--	--	--	**1,700.00**

Assumption for working capital requirements

Particulars (No. of days)	Holding level March 31, 2018 Actual	Holding level March 31, 2019 Estimated
Current Assets		
Inventories		
- Raw Materials	89 days	56 days
- Work in progress	57 days	30 days
- Finished goods	24 days	10 days
Debtors	103 days	41 days
Current Liabilities		
Creditors	120 days	45 days

Justification for "Holding period" levels

Inventories	Raw Materials: The raw material inventory holding level in FY 2018 was 89 days which is expected to reduce to around 56 days in the coming FY. The same is expected due to streamlining of the order book that will be provided by Tata Steel for the doors to be manufactured. In FY 18 the many products that the Company had i.e. doors, windows, clean room furniture, clean room equipment, clean room partition and clean room windows also contributed to high raw material holding period, which is expected to come down due to focus on manufacturing of doors for Tata Steel Ltd.
	Work in progress: The WIP of 57 days for FY 18 is also expected to come down to a month's time, based on the order book inflow and expected turnaround time for the orders executed, mainly for the doors and windows.
	Finished Goods: Based on our Company's focus on executing the order book from Tata Steel Ltd, and with streamlining of raw materials and work-in-progress, we expect to have closing inventories of say about 10 days and effectively manage our production schedule and also the working capital utilisation.
Debtors	The debtors' realisation for FY 18 was about 103 days, due to businesses with various parties. The same is expected to reduce substantially to 43 days due to major business with Tata Steel, which will have a debtor cycle of 30 days and with reduction in other parties, we expect the debtors to realise in around 43 days. The bill discounting facility that we are availing will also contribute to the reduction in debtors, as we increase our business with Tata Steel and reduce debtors from other businesses.

Creditors	Currently we are availing around 4 months of credit period, which will reduce to say 45 days, due to change in mix of product (focussed mainly on manufacturing of doors) and the corresponding purchase of raw materials, and also import of some raw materials by paying advances as well.

4. General Corporate Purposes

Our Company proposes to deploy the balance Net Issue Proceeds, aggregating to ₹ [●] lacs, towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of this Issue, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, strengthening of our marketing and geographical capabilities, meeting our working capital requirements, meeting exigencies which our Company may face in the ordinary course of business, meeting fund requirements which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act and SEBI Regulations. Our Company's management, in accordance with the policies of the Board subject to applicable laws, will have flexibility in utilising any surplus amounts.

Issue related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses and legal fees, if applicable. The estimated Issue expenses are as follows:

(₹ in Lacs)

Description	Total estimated amount	% of Total expenses	% of Total Issue size
BRLM fees, Legal Advisors fees, printing and distribution expenses and payment to other intermediaries such as Registrars, Market Maker, etc	[●]	[●]	[●]
Regulatory fees, including RoC filing fees, other expenses including exchange processing fees, Book Building software fees, Audit fees, Depository charges, Listing fees etc	[●]	[●]	[●]
Marketing and other miscellaneous expenses, including Underwriting, Brokerage and Selling commission**	[●]	[●]	[●]
Total	[●]	[●]	[●]

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

Selling commission payable to Registered Broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.10% on the Allotment Amount*. The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

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

Interim use of proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have flexibility to deploy the Net Proceeds. The Net 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 the Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Appraisal Report

None of the objects for which the Net Proceeds from the Issue will be utilised have been appraised by any Bank or Financial Institution. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates.

Monitoring of utilization of funds

There is no requirement for a monitoring agency as the Issue size is less than ₹ 10,000 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 Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Red Herring Prospectus.

Variation in Objects

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

Other Confirmations

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Entities or Key Managerial Personnel, except for:

1) the part repayment of unsecured loan availed from our Promoter up to the extent of Rs. 250 lacs.

Additionally, 7,57,178 Equity Shares held by our Promoter which have been pledged with Jain Sons Finlease Limited, will be de-pledged by them on repayment of the unsecured loan availed by our Company;

Our Company has not entered into or is not planning to enter into any arrangement / agreements with the Promoter, Directors, key management personnel, associates or Group Entities in relation to the utilization of the Net Proceeds of the Issue.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the assessment of market demand for the issued Equity Shares through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each. The Floor Price of ₹147 is 14.70 times of the face value and Cap price of ₹150 is 15.00 times of the face value.

Investors should also refer to the chapters titled "*Our Business*", "*Risk Factors*" and "*Financial Statements*" on pages 87, 15 and 151, respectively, of this Red Herring Prospectus to have an informed view before making an investment decision.

Qualitative Factors

1. Professional and Experienced Management team
2. Quality Products
3. Assured offtake of products
4. Strong customer relations with process and line improvement inputs from Tata Steel Limited
5. Integrated manufacturing facility with independent storage facility

For more details on qualitative factors, refer to section titled "*Our Business*" on page 87 of this Red Herring Prospectus.

Quantitative Factors

The information presented in this section is derived from our Standalone Restated Financial Statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

(in ₹)

Year ended	EPS	Weight
FY 2015-16	3.49	1
FY 2016-17	3.74	2
FY 2017-18	9.24	3
Weighted Average	**6.45**	

2. Price / Earning (P/E) Ratio in relation to Issue Price band of ₹ 147 to ₹ 150 per Equity Share

	Particulars	P/E at the lower end of the price band (no. of times)	P/E at the upper end of the price band (no. of times)
a)	P/E ratio based on Basic and Diluted EPS as at March 31, 2018	15.91	16.23
b)	P/E ratio based on Weighted Average EPS	22.80	23.26

3. Industry Price / Earning (P/E) Ratio

Not applicable. There are no listed entities similar to our line of business and comparable to our scale of operations

4. Return on Net Worth (RONW):

Year ended	RoNW (%)	Weight
FY 2015-16	12.12	1
FY 2016-17	11.52	2
FY 2017-18	22.22	3
Weighted Average	**16.97**	

Note: The return on net worth is arrived at by dividing net profit after tax and extraordinary items, as restated by net worth as restated as at years.

5. Minimum return on increased Net Worth after the Issue required for maintaining pre-issue EPS

A. Based on weighted average EPS of ₹ 6.45*

At the lower end of the price band of ₹ 147	8.62
At the upper end of the price band of ₹ 150	8.54

B. Based on basic and diluted EPS of ₹ 9.24 for FY 2017-18*

At the lower end of the price band of ₹ 147	12.36
At the upper end of the price band of ₹ 150	12.23

Note: *Net worth is the sum of the share capital, the reserves and the surplus less miscellaneous expenditure not written off. * Pre Issue Net worth is considering the Equity Shares allotted on May 05, 2018.*

6. Net Asset Value (NAV) per Equity Share

• As of March 31, 2018,	41.57
• NAV post issue	
○ At the lower end of the price band of ₹ 147	74.78
○ At the upper end of the price band of ₹ 150	75.57
• Issue price per share	[•]

Note: Net Asset Value per Equity Share represents net worth, as restated divided by the number of Equity Shares outstanding as at year.

7. Comparison of Accounting Ratios with Industry Peers

We are currently engaged in the manufacturing of steel doors and windows (steel frame) and cater to customers across various segments and industries. We believe there are no listed entities similar to our line of business and comparable to our scale of operations, hence comparison is not possible.

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM on the basis of assessment of the market demand from investors for the Equity Shares by way of book-building. Our Company and the BRLM believe that the Issue Price of ₹ [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*" and "*Financial Statements*" on pages 15, 87 and 151, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

Date: May 10, 2018

To,

The Board of Directors
Ahlada Engineers Limited
Door No 4-56, Survey No. 62/1/A & 67,
Tech Mahindra Road, Bahadurpally,
Qutbullapur Mandal, Hyderabad 500043,
Rangareddi, Telangana, India

Dear Sir(s):

Sub: **Statement of possible special tax benefits ("the Statement") available to AHLADA ENGINEERS 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 report that the enclosed statement in **Annexure A**, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. 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. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

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

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

The contents of the enclosed statement 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.

We also consent to the references to us as "*Experts*" under section 26 of the Companies Act to the extent of the certification provided hereunder and included in the draft red herring prospectus, red herring prospectus and prospectus of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of tax benefits in the draft red herring prospectus, red herring prospectus, the prospectus and in any other material used in connection with the Issue.

Yours sincerely,

For M/s. Kishore & Venkat Associates
Chartered Accountants
ICAI Firm Registration No.: 001807S

M V Ramana Reddy
Partner
Membership No: 026845
Place: Hyderabad
Date: May 10, 2018

Annexure-A

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

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

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.

For M/s. Kishore & Venkat Associates
Chartered Accountants
ICAI Firm Registration No.: 001807S

M V Ramana Reddy
Partner
Membership No: 026845
Place: Hyderabad
Date: May 10, 2018

SECTION V - ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The information in this section must be read in conjunction with the sections titled "Risk Factors" and "Our Business" beginning on pages 15 and 87, respectively.

The Global Economy

Global growth has broadened to encompass several advanced and emerging market economies. World trade has also picked up and is likely to outpace global GDP growth. Inflationary pressures remain subdued across geographies, supported by soft commodity prices.

Global trade has been buoyed by gradually firming demand, and exports and imports have risen in several economies. Crude prices have firmed up in Q3 (FY18) on the easing supply glut. Metal prices have rallied, fuelled by resurgent Chinese demand, but have moderated in recent weeks. Growing risk appetite for financial assets led to a fall in bullion prices to multi-month lows, before a recent rally in September. Inflation remains below target levels in many AEs and subdued across several EMEs.

International financial markets have been buoyed by these global growth prospects and the accommodative monetary policy stance in major AEs. Financial markets have remained resilient to geo-political events and more recently to the US Fed's decision to reduce the size of its balance sheet. Equity markets rallied in most AEs, while some correction has been witnessed in a few EMEs. Bond yields in major AEs hardened on expectations of monetary policy normalisation, but generally declined in EMEs with softening inflation and neutral or accommodative policy rates. The US dollar weakened to a multi-month low in September, while the euro rallied further. Movements in EME currencies were mixed but with a general tendency to appreciate.

Changing expectations about the course of monetary policy in AEs and improving economic prospects influenced risk perceptions of investors and drove global financial markets. Although markets have remained relatively calm and stable, the unwinding of the expansion in Fed's balance sheet since the global financial crisis is a potential vortex of tension going forward. With its massive holdings of government and mortgage-backed securities (MBS), the Fed is the most dominant player in the US bond market. Furthermore, a reduction of the Fed's balance sheet would echo growing confidence in the US economy. In turn, this has some implications for financial markets in EMEs.

(Source: Monetary Policy Report – October 2017, Reserve Bank of India)

The Indian Economy

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP increased 7.1 per cent in 2016-17 and is expected to reach a growth rate of 7 per cent by September 2018.

Indian Market size

India's gross domestic product (GDP) grew by 6.3 per cent in July-September 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks, according to Bloomberg consensus. The tax collection figures between April-June 2017 Quarter show an increase in Net Indirect taxes by 30.8 per cent and an increase in Net Direct Taxes by 24.79 per cent year-on-year, indicating a steady trend of healthy growth. The total number of e-filed Income Tax Returns rose 21 per cent year-on-year to

42.1 million in 2016-17 (till 28.02.17), whereas the number of e-returns processed during the same period stood at 43 million.

India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US$ 404.92 billion in the week up to December 22, 2017, according to data from the RBI.

(https://www.ibef.org/economy/indian-economy-overview)

The April 2017 MPR (Monetary Policy Report) had projected an acceleration in real GVA for 2017-18 on the back of (a) a recovery in discretionary spending spurred by the pace of remonetisation; (b) the reduction in banks' lending rates on fresh loans brought about by demonetisation induced liquidity; (c) the growth stimulating proposals in the Union Budget 2017-18; (d) a normal southwest monsoon; and (e) an improvement in external demand. Stressed balance sheets of banks and the possibility of higher global commodity prices were seen as downside risks to growth prospects.

Some of these expectations have materialised, whereas the recovery in discretionary and investment spending has been weaker than expected and kharif food grains production is expected to be lower than last year in view of the shortfall and irregular rainfall during the south-west monsoon this year. The uncertainty about the implementation of GST also appears to have had some impact on economic activity, although it is expected to be offset by productivity-enhancing effects in the medium- and long-run. Consumer confidence dipped in the September 2017 round of the RBI's survey on declining optimism about prospects of income and employment a year ahead.

Overall optimism in the manufacturing sector for the quarter ahead improved in the September round of the RBI's industrial outlook survey on account of better prospects for production, order books, capacity utilisation, exports and profit margins, even as the current assessment dropped further. Taking into account the outturn in the first half, the baseline assumptions, survey indicators and model forecasts, real GVA growth is projected at 6.7 per cent for 2017-18 – 6.4 per cent in Q2, 7.1 per cent in Q3 and 7.7 per cent in Q4 – with risks evenly balanced around this baseline path. For 2018-19, structural model estimates indicate that real GVA may grow by 7.4 per cent, assuming a normal monsoon, fiscal consolidation in line with the announced trajectory, and no major exogenous/policy shocks.

(Source: Monetary Policy Report – October 2017, Reserve Bank of India)

Government Initiatives

In the Union Budget 2017-18, the Finance Minister, Arun Jaitley, verified that the major push of the budget proposals is on growth stimulation, providing relief to the middle class, providing affordable housing, curbing black money, digitalisation of the economy, enhancing transparency in political funding and simplifying the tax administration in the country. India's unemployment rate has declined to 4.8 per cent in February 2017 compared to 9.5 per cent in August 2016, as a result of the Government's increased focus towards rural jobs and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Government of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. 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 from the current 17 per cent. 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.

Some of the recent initiatives and developments undertaken by the government are listed below:

- The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.

- A total of 15,183 villages have been electrified in India between April 2015-November 2017 and complete electrification of all villages is expected by May 2018, according to Raj Kumar Singh, Minister of State (IC) for Power and New & Renewable Energy, Government of India.
- The Government of India has decided to invest Rs 2.11 trillion (US$ 32.9 billion) to recapitalise public sector banks over the next two years and Rs 7 trillion (US$ 109.31billion) for construction of new roads and highways over the next five years.
- The mid-term review of India's Foreign Trade Policy (FTP) 2015-20 has been released by Ministry of Commerce & Industry, Government of India, under which annual incentives for labour intensive MSME sectors have been increased by 2 per cent.
- The India-Japan Act East Forum, under which India and Japan will work on development projects in the North-East Region of India will be a milestone for bilateral relations between the two countries, according to Kenji Hiramatsu, Ambassador of Japan to India.
- The Government of India will spend around Rs 1 lakh crore (US$ 15.62 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY).
- The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organisations, to push for rural development under its 'Mission Antyodaya' and has already selected 50,000 panchayats across the country for the same.
- The fiscal deficit of the Government of India, which was 4.5 per cent of the gross domestic product (GDP) in 2013-14, has steadily reduced to 3.5 per cent in 2016-17 and is expected to further decrease to 3.2 per cent of the GDP in 2017-18, according to the Reserve Bank of India (RBI).
- The Government of India plans to implement a new scheme, named 'Sasti Bijli Har Ghar Yojana' with an outlay of Rs 17,000 crore (US$ 2.64 billion), to provide electricity to around 40 million un-electrified households in the country.
- The Government of India and the Government of Portugal have signed 11 bilateral agreements in areas of outer space, double taxation, and nano technology, among others, which will help in strengthening the economic ties between the two countries.
- India's revenue receipts are estimated to touch Rs 28-30 trillion (US$ 436- 467 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

Road Ahead

India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

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

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

Our Company broadly operates under two industries; 1) Clean Room equipment and 2) Residential Doors & Windows. There is no specific industry report by any major consulting firm which directly mentions the estimated market size, competition and future outlook about the segment in which our Company operates; i.e. manufacturing of steel doors and windows and manufacturing of Cleanroom Equipment.

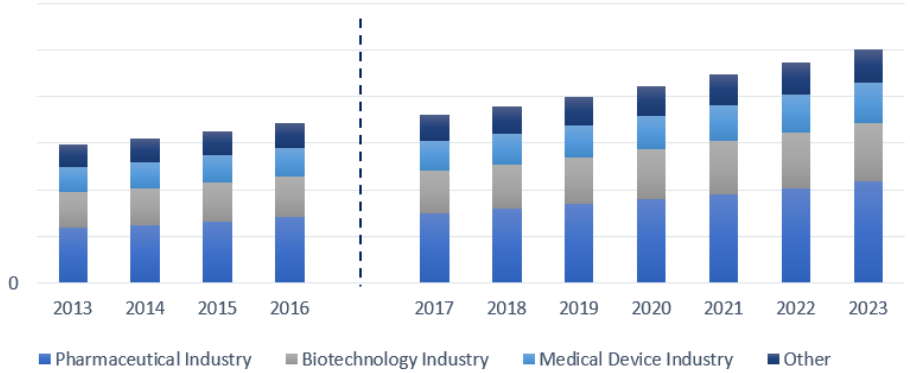
Cleanroom Technology Equipment

Cleanroom is an environment, typically used in manufacturing or scientific research that has a low level of environmental pollutants such as dust, airborne microbes, aerosol particles and chemical vapors. A cleanroom has a controlled level of contamination that is specified by the number of particles/m3 and by maximum particle size. To give a perspective, external environment would be considered about a 5,000,000 class cleanroom. Cleanrooms can be small or very large. Entire manufacturing facilities can be contained within a cleanroom with factory floors covering thousands of square meters. They are used extensively in Semiconductor manufacturing, Biotechnology, Life sciences and other fields that are very sensitive to environmental contamination. The air entering a cleanroom from outside is filtered to exclude dust and the air inside is constantly recirculated through High Efficiency

Particulate Air (HEPA) and Ultra Low Penetration Air (ULPA) filters to remove internally generated contaminants.

Global Market Overview

Cleanroom technology market size was valued at $3.4 billion in 2016, and is projected to grow at 5.7% CAGR during the forecast period. The market is expected to be led by consumables used for cleanroom technology, both in terms of size and growth. The growth in the demand for cleanroom technology consumables is mainly attributable to the negligible maintenance cost that these consumables require. Other than consumables, cleanrooms also have several equipment installed in them.



On the basis of construction, the cleanroom technology market has been segmented into hardwall cleanroom, softwall cleanroom, standard cleanroom and pass through cabinets. Hardwall cleanrooms is expected to witness the fastest growth in the future, since they are less expensive as compared to the standard cleanrooms and can be installed in a fraction of time.

Pharmaceutical, biotechnology, and medical devices industries are the major end users in the cleanroom technology market, with some of the other users primarily including hospitals, research laboratories and academic institutions. Pharmaceutical industry contributed the largest share to the global market, with the same standing at 41.3% in 2016. Biotechnology industry held the second largest share of the global market, due to the presence of large number of research laboratories, which further leads to high production of drugs worldwide.

North America was the largest contributor in cleanroom technology market, with a 39.8% share in 2016. The U.S., Japan and Germany are the top three countries that are expected to contribute the maximum revenue to the global market in the forecast period, due to increasing healthcare expenditure and growing research facilities in these countries that require the use of cleanroom products. During the forecast period, the industry is expected to register the fastest growth in Asia-Pacific.

Cleanroom Technology Market Dynamics

Various factors leading to the growth of the cleanroom technology market include increasing demand for certified products, technological advancements in cleanrooms, growing prevalence of infectious diseases, and the rising demand for sterilized pharmaceutical products. Some of the factors hampering the growth of the cleanroom technology market include high cost associated with building cleanrooms, and lack of skilled and experienced professionals.

Growth Drivers

Increasing healthcare expenditure, rising demand of cleanroom technology from pharmaceutical, biotech, and medical devices industries, and favorable healthcare regulations are some of the other key factors that boost the demand for cleanroom technology products, globally.

The demand for certified products has been increasing worldwide, thus increasing the size of the cleanroom technology market. Various certifications such as National Safety and Quality Health Standards (NSQHS), BS 5295 cleanroom standards, Medicines & Healthcare products Regulatory Agency (MHRA) guidelines, and ISO check are required for maintaining the standard of products manufactured, such as gloves, vacuum systems, air filters, and the processes used for manufacturing these products globally. All such certifications ensure that the

quality of products and process is in compliance with the health and hygiene standards, as these products are manufactured in the sterile environment of cleanrooms.

According to the WHO, around 10.4 million people were diagnosed with tuberculosis and 1.8 million died from the same, in 2015. Also, over 95% of the tuberculosis deaths occur mostly in low and middle-income countries. As of June 2015, around 220 million population aged 1 to 29 years, received meningococcal A conjugate vaccine in 15 countries of the African belt. These data clearly state that the rise in infectious diseases is a key factor leading to an increase in the demand of medications for treating the same, which further drives the cleanroom technology market.

Opportunities

The cleanroom technology market provides immense opportunities for the players to grow, due to the high demand of cleanrooms in emerging economies and the rising demand for energy efficient cleanrooms. Other than China, which provides tremendous business opportunities for the market players, there are countries in Asia-Pacific that are also investing in the cleanroom technology market, due to stringent regulatory concerns related to cleanliness.

Cleanroom Technology Market Competitive Landscape

The key global players in the cleanroom technology market are developing new products, which is expected to increase their market share in the coming years. Some of the other key players operating in the cleanroom technology market include M+W Group GmbH, E.I. du Pont de Nemours and Company, Kimberly-Clark Corporation, Taikisha Ltd., Azbil Corporation, Illinois Tool Works Inc., Ardmac Ltd., and Alpiq Group.

(Source: https://www.psmarketresearch.com/market-analysis/cleanroom-technology-market)

Indian Cleanroom Industry

With more and more investors coming forward to invest in the ever-growing sectors like food, pharma and biotechnology thanks to the confidence building measures taken up by the central and state governments, the Indian cleanroom industry is expected to witness a boom period in the coming years.

With the encouraging environment prevailing in the country, many industries making high quality medicines and innovative research or even in food and beverages manufacturing are keen on investing in cleanrooms. Growing competition ensures the companies install the best cleanroom equipment to ensure highest quality standards in their manufacturing and research centres. Because of this trend, the clean room industry in the country is witnessing a positive growth.

The present size of cleanroom market in India estimated to be somewhere around ₹ 5000 crores, is expected to add another ₹1000 to ₹1500 crore growth in the next one to two years.

Need for cleanrooms

Particularly in pharma and biotechnology industry, cleanroom technology is crucial for the manufacture of sterile pharmaceutical products because it ensures not only prevention of product contamination, but also operator safety when handling highly potent drug substances. In enclosed cleanroom environments, temperature, humidity, pressure, electrostatic charge and magnetic flux are carefully controlled, and particulates (dust, hair and skin), chemicals (oil, grease, metal ions, and vapours), micro-organisms (bacteria and fungi) and radiation are maintained at very low levels.

The market is growing at a healthy rate partly due to increased demand for sterile biologic drugs, although access to skilled cleanroom operators will be an issue in the future. At the same time cleanroom technology providers have to face the challenge of providing new solutions to meet the increasingly stringent regulatory requirements and ever-high performance expectations from the industry. Cleanroom technologies are expected to be used by the pharma, biotechnology, medical device, electronics, plastics, food and aerospace industries, with the pharma/biotech/medical device sectors accounting for significant portion of the demand.

Overall drivers of demand for cleanroom technology in the pharma industry include the generally healthy growth of the industry and increasing demand for biologic drugs, many of which are offered as sterile parenteral formulations. Other factors include increasingly strict regulatory requirements, the increasing potency of many

new small-molecule and biologic drugs that require special containment systems and operating procedures, and increase safety operator safety requirements.

(Source: http://www.pharmabiz.com/NewsDetails.aspx?aid=94439&sid=21)

The Indian pharmaceuticals market is the third largest in terms of volume and thirteenth largest in terms of value, and it accounts for 20 per cent in the volume terms and 1.4 per cent in value terms of the Global Pharmaceutical Industry as per a report by Equity Master. India is the largest provider of generic drugs globally with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. Indian pharmaceutical sector is estimated to account for 3.1 – 3.6 per cent of the global pharmaceutical industry in value terms and 10 per cent in volume terms. It is expected to grow to US$100 billion by 2025. The market is expected to grow to US$ 55 billion by 2020, thereby emerging as the sixth largest pharmaceutical market globally by absolute size, as stated by Arun Singh, Indian Ambassador to the US. India's pharmaceutical exports stood at US$ 16.8 billion in 2016-17 and are expected to grow by 30 per cent over the next three years to reach US$ 20 billion by 2020, according to the Pharmaceuticals Export Promotion Council of India (PHARMEXCIL).

Indian companies received 305 Abbreviated New Drug Application (ANDA) approvals from the US Food and Drug Administration (USFDA) in 2017. The country accounts for around 30 per cent (by volume) and about 10 per cent (value) in the US$ 70-80 billion US generics market.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected grow at an average growth rate of around 30 per cent a year and reach US$ 100 billion by 2025. Biopharma, comprising vaccines, therapeutics and diagnostics, is the largest sub-sector contributing nearly 62 per cent of the total revenues at Rs 12,600 crore (US$ 1.89 billion).

(Source: https://www.ibef.org/industry/pharmaceutical-india.aspx)

Trends in cleanrooms

Increased regulatory attention on cleanroom performance and more frequent production of higher value biologic drugs are key drivers of recent advances in various types of cleanroom technologies. There are significant financial incentives to ensure that production in cleanrooms proceeds according to regulatory requirements and results in products that meet specifications. Therefore, not only are high-performing filters and related equipment needed, but robust monitoring systems for air, water, humidity, and all aspects of cleanroom operations are also required to ensure that high performance is maintained.

The shift in the pharma industry – both for small and large molecule drugs – to smaller, more flexible manufacturing facilities that can be located to serve regional markets and manufacture a wide range of smaller volume, niche and targeted therapies is another important trend affecting the cleanroom technology market. Manufacturers have responded with the development of modular cleanroom systems that can be constructed rapidly to GMP requirements.

Some contract manufacturers are also installing cleanrooms to establish a competitive advantage and attract new business. In addition, with the rigid controls inherent in cleanroom operations, yields can be increased and operator performance can also be improved. Flexible containment solutions are also attractive for development work because often the toxicity of developmental products is not well understood, and cleanroom environment aid in the prevention of cross-contamination.

Retractable cleanrooms are also getting attention, particularly for companies that do not require constant access to cleanroom environments, do not need the production size generally available with traditional systems or who have limited room in their manufacturing facilities and cannot dedicate a large space for cleanrooms. Retractable cleanrooms offer a cost-effective solution.

New technology trends for cleanroom applications that are creating opportunities for product manufacturers include miniaturization, semiconductor technologies and nanotechnology, according to Grandview Research.

There is also a growing interest in hardwall cleanrooms due to their flexibility in construction and low installation costs.

(Source: http://www.pharmabiz.com/NewsDetails.aspx?aid=94439&sid=21)

Doors and Windows

With the government's focus on 'Housing for All' by 2022 and 'Affordable Housing' being the flavour within the realty sector, the demand for doors and windows is expected to be robust, based on the new homes and also substantially due to the replacement of existing wooden doors and windows. We do not have any commissioned report for the industry details about the doors and windows market. Given that it's a subset of the realty market, a brief about the realty space is listed below.

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.

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 FY2008-2020, 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.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. The office space absorption in 2017 across the top eight cities amounted to 18 million square feet (msf) as of September 2017. Private equity inflows in office and IT/ITES real estate have grown 150 per cent between 2014 and 2017 backed by a strong attraction towards office sector. In 2017, new retail space of 6.4 million has finished and supply of around 20 mn sq ft is expected in 2019.

Growth Drivers for residential housing includes: Rapid urbanisation; Growth in population, Rise in the number of nuclear families, Easy availability of finance, Repatriation of NRIs and HNIs and Rise in disposable income amongst others. For the commercial real estate the primary growth drivers are: Rapid growth in services sectors: IT/ITeS, BFSI and Telecom, Rising demand from MNCs and Demand for office space in Tier 2 cities.

Government Initiatives

The Government of India along with the governments of the respective states has 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:

- As of November 2017, a total of 3.076 million houses have been sanctioned under the Pradhan Mantri Awas Yojana (PMAY) (U) since its launch, according to the Ministry of Housing and Urban Affairs, Government of India. The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US$ 460 million).
- The government has allowed FDI of up to 100 per cent for townships and settlements development projects
- Under the Housing For All scheme, 60 million houses are to be built which include 40 million in rural areas and 20 million in urban area by 2022
- Real Estate Bill was passed in March 2016 to establish a real estate regulatory authority for regulating and promoting the sector

(Source: https://www.ibef.org/industry/real-estate-india.aspx)

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our plans and strategy, contain forward-looking statements that involve risks and uncertainties. This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled "Risk Factors", "Financial Information" and chapter titled "Management Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 15, 151 and 222, respectively, of the Red Herring Prospectus. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless the context otherwise requires, in relation to business operations, in this section of the Red Herring Prospectus, all references to "we", "us", "our" and "our Company" are to Ahlada Engineers. All financial information included herein is based on our Restated Financial Statements included in this Red Herring Prospectus in the section "Financial Statements" beginning on page 151.

Overview

Our Company is in the business of manufacturing steel doors and windows (steel-frame) and we cater to customers across various segments and industries. We currently have our facilities spread across 3 manufacturing units in addition to one assembling unit and stock yard, with an area admeasuring 34,211 square yards on the outskirts of Hyderabad. Additionally, we are also in the business of manufacturing cleanroom equipment for our customers in the pharmaceutical, biotechnology and food industries.

Established in 2005, we started commercial operations in February 2006 with manufacturing of cleanroom equipment and furniture. Further in the year 2008, we started manufacturing steel doors which catered to the then existing customers of cleanroom equipment and furniture. Gradually we started expanding the customer base for our products manufactured to healthcare, entertainment and real estate vertical as well.

We have been gradually expanding our manufacturing facilities and have over the past decade, expanded the facilities to its current form and capacity. Presently, we have an installed capacity to manufacture 11,000 doors per month. The facilities to manufacture clean room equipment and furniture and windows is inter-operable, and hence, capacities for the same cannot be conclusively determined.

With nearly a decade of experience in making steel doors and windows, we have developed in-house expertise in the process of manufacturing our product range, i.e. steel doors, windows and clean room equipment, and our in-house research team contributes in fine-tuning our products, its look and finish to suit the requirements of our customers, which in turn has carved a niche for our Company's products. Our in-house research and design team also constantly update the product designs as per client requirements and also make changes to improve efficiency.

In order to expand our business and customer base, we have on August 22, 2017, entered into a Master Manufacturing and Supply Agreement (MMSA) with Tata Steel Limited (TSL), whereby TSL has assured offtake of doors manufactured and shall work with us to improve process and line efficiency. We consider this alliance with Tata as one of our biggest strengths. The salient features of this MMSA are as detailed below:

Pursuant to the said Agreement, our Company is manufacturing and supplying steel doors of decorative, wood finished, RAL colour, to be used for independent house building and/or steel doors of decorative and wood finished, RAL colour for external door/ internal door / toilet door to be used in housing, residential and commercial sector and other related parts for Tata and under the brand name of Tata and /or as directed by Tata from time to time ("**Product**").

Key terms of the Agreement are set out below:

Term – the Agreement is valid for an initial term of 48 months from the date of signing, and may be extended for an additional period of 11 months (Extension Period). The Agreement may be renewed by executing a fresh agreement on mutually acceptable terms for another 4 years (Renewed Period).

Non-Exclusivity - Tata reserves the right to manufacture the Product for itself and or to purchase the Product and similar products from any other party, provided, in the event it is considering qualification of an additional manufacture in any other part of India, other than northern regions of India (J&K,

Himachal Pradesh, Punjab, Uttarakhand, Haryana, Uttar Pradesh, New Delhi, Rajasthan and Chandigarh), Tata shall notify in writing and our Company shall have the opportunity to make a first proposal for such qualification within 60 days of receipt of such request.

Orders and Minimum offtake – our Company shall provide the Products as per purchase orders issued from time to time and Tata has committed to order minimum quantity of 11.75 lac doors during the term of the agreement.

Price: the price shall be as set out in the Agreement, which shall be revised and mutually agreed to in writing every 3 months from the date of last product addendum.

Cost Improvement – our Company and Tata shall jointly endeavour to identify cost reduction opportunities with the objective to reduce the net price of the Product by a minimum percentage to be mutually agreed. Our Company shall pass on all cost improvements achieved during the term of the Agreement to Tata.

Manufacturing standards and quality assurance - the quality standards shall be in accordance with the quality specifications set out in the Agreement and the manufacture and supply of Products shall be strictly in accordance with the applicable laws, quality specifications, quality assurance, trademark usage and other requirements instructed by Tata.

Rejection of Product – Tata may reject any non-complying product by providing notice of rejection to our Company within 180 days following receipt of dispatch of Products, however, no time restriction shall be applicable for notice of rejection of any shipment where (i) defects are discovered by Tata's customers or the end-users of the Products or (ii) breach by our Company of any of the representation and warranties set out in the Agreement.

Intellectual Property – Tata is the sole owner of the Product and owns or has rights to all intellectual property relating to the Product, except for patents, technology and know-how owned or controlled as of the date by our Company. All materials, inventions, concepts, Product variations, improvements, know-how, trademarks, copyrights, information, data, writings and other property in any form, including the brand name "Pravesh" and other names , logos, graphics, marks, designs, patents and/or trademarks etc. that may require our Company to use, insert, impress, design etc. which is provided to our Company on behalf of Tata or used by us with respect to performance of obligations under the Agreement, and which is owned by Tata prior to being provided to Tata, and any improvements thereto, shall remain the property of Tata and Tata grants our Company a non-exclusive right to use such property solely for the purpose of giving effect to the Agreement. Additionally, any improvements or modifications to such property and any creative ideas, proprietary information, inventions etc. shall be the exclusive property of Tata.

Termination – (i) either party may terminate the Agreement immediately upon a written notice to the other party in the event of a material breach which remains uncured for 90 calendar days (ii) Tata may terminate the Agreement in the event of breach of anti-bribery / anti-corruption representation by our Company (iii) either party may terminate the Agreement in the event the other party becomes insolvent (iv) Tata may terminate the Agreement in the event of any alteration in the charter of our Company and any direct/indirect change in ownership or control or corporate reorganization (v) Tata may terminate the Agreement by giving 6 months prior notice to our Company for any or no reason.

Exclusivity – during the term of the Agreement and for a period of 1 year after the expiry or termination of the Agreement, our Company shall not manufacture, supply or otherwise distribute, sell for a third party whether directly or indirectly in the territory (as defined in the Agreement), without the prior written consent of Tata, any Product identical or similar to the Product specified in the Agreement. However, post termination of the Agreement, our Company may manufacture, supply of distribute or sell any identical or similar product under our own brand name, provided such activity is not directly or indirectly conducted with any direct competitor of Tata.

Additionally, our Company manufactures and supplies steel doors and windows to other industrial customers (other than Tata Steel Limited and the products manufactured and supplied to TSL) as well.

Our revenues and profitability for the last three years is depicted below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Revenues from operations	12,778.44	11,843.83	11,107.48
EBIDTA	2,079.93	1,244.66	1,004.84
Profit after tax	809.01	327.29	305.98

Revenue Break-up

a) Our revenue break up on the basis of our top 5 and top 10 customers for the last (3) three Fiscals is provided below:

(₹ in lacs)

Particulars	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	Amount	%	Amount	%	Amount	%
Top 5	6169.46	48.24	2176.69	18.39	2485.81	22.38
Top 10	7370.56	57.63	2900.57	24.49	3314.66	29.84

b) Our revenue break up on the basis of the products manufactured by our Company for the last (3) three Fiscals is provided below:

(₹ in lacs)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Clean Room Equipment	3,143.80	6,443.18	7,424.34
Steel Doors	8,945.42	4,997.19	3,363.28
Steel Windows	689.21	403.46	319.86
Grand Total	**12,778.44**	**11,843.83**	**11,107.48**

c) Our revenue break up categorized as on the basis of the export by our Company for the last (3) three Fiscals is provided below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Domestic Revenue	12,215.01	10,480.16	9,528.50
Direct Export Revenue	32.58	24.79	78.03
Deemed Exports Revenue	530.85	1,338.88	1,500.95
Total Revenue from Operations	**12,778.44**	**11,843.83**	**11,107.48**

d) Our export revenue on the basis of the countries exported to by our Company for the last (3) three Fiscals is provided below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Sri Lanka	32.02	--	9.74
UAE	0.56	--	--
Bangladesh	--	24.79	--
Nepal	--	--	68.29
Deemed Exports	530.85	1,338.88	1,500.95
Total Export revenue	**563.43**	**1,363.67**	**1,578.98**

Our Products and Processes

Our Company currently manufactures the following products:

1. Steel Doors
2. Steel Frame windows
3. Clean Room Equipment

1. Steel Doors

Our Company manufactures a variety of steel doors for various industrial, commercial and residential purposes. A pictorial description of the doors manufactured by us are given as under:

Embossed with wood grain decorative finish door

Plain Wood grain decorative finish door

Plain Steel finish door

Fly mesh with Embossed wood finish door

Fire rated door

Uses

- *High rise buildings*
- *Hotels*
- *Shopping malls*
- *Multiplexes*
- *Software parks*

Acoustic doors

Uses

- *Multiplexes*
- *Operation theatres*
- *Auditoriums*

Lead Lined door
Uses
- *Hospitals*
- *Diagnostic centers*

General door
Uses
- *Offices*
- *Industries*
- *Elevators*

Scientific door
Uses
- *Pharmaceutical companies*
- *Hospitals*

2. Steel Frame windows

Our Company manufactures a variety of steel frame windows as well which are used for various industry and residential purposes. A pictorial description of the windows manufactured by us are given as under:

Casement Windows:

- Single rebate glazed shutters with frame
- Double rebate glazed + fly mesh shutters with frame

Fixed Windows

- Single / Double glazed fixed windows

3. Clean Room Equipment

A cleanroom is essentially an environment, typically used in manufacturing or scientific research that has low level of environmental pollutants such as dust, airborne microbes, aerosol particles and chemical vapours. More accurately, a cleanroom has controlled level of contamination that is specified by number of particles per cubic meter at a specified particle size. Cleanrooms can be very large. Entire manufacturing facilities can be contained within a cleanroom with factory floors covering large areas. They are used extensively in semiconductor manufacturing, biotechnology and life sciences and other fields that are sensitive to environmental contamination.

Our Company manufactures a range of standardised and custom-made clean room partitions, ceilings, equipment, furniture and HVAC which can be broadly categorised as under:

A. Demountable clean rooms; i.e. wall partitions, ceilings, doors and accessories
B. Cleanroom Equipments viz. Garment cubicles, Pass-throughs, Air Showers, Laminar Air Flow Units, Dispensing/Sampling booths, Bio-Safety cabinets, De-dusting booths.
C. Cleanroom Furniture in Stainless Steel viz. Cabinets, Tool Carts, Tables, Compartments, Shelves, Transport Carts, Serving Carts, Containers, Samplers, Ladders, Stairs, Wire Baskets, Material Collectors, Work Chairs, Stools, Industrial Sinks, Drain Traps etc.

Solid Panels for Cleanroom Partition

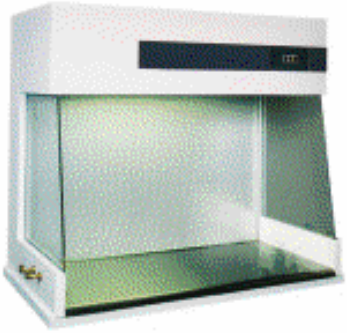
Air Shower

Cleanroom Fire rated doors & frames

Garment cubicle

Laminar Airflow Horizontal

Workshop cart



Steps

Material Collector

Serving Trolley

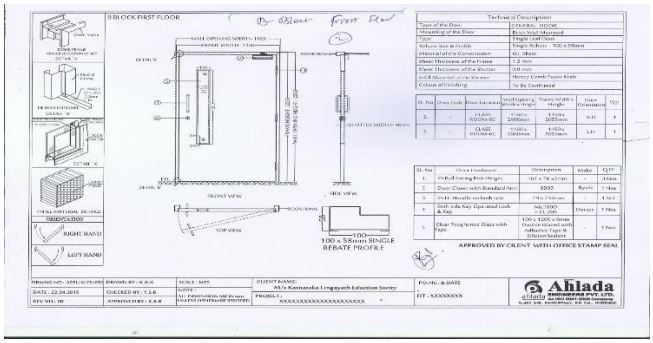
Double Sink with sliding door cabinet

Refuse collector

Stool

Brief Manufacturing Process for the steel doors is depicted below:

a) **Drawing Approval**: Once the Order was finalized we will sent Drawings to the Client for Approval. Client will Check the Drawings and provide us approval. After getting approval from Client we will sent the document for Programming.



b) **Programming:** Our Programming Team will give programming to CNC machines such as how to shear, where to punch etc.

c) **Shearing:** Based on the inputs given by the programming team the raw material (metal sheets) is sheared according to the door sizes.

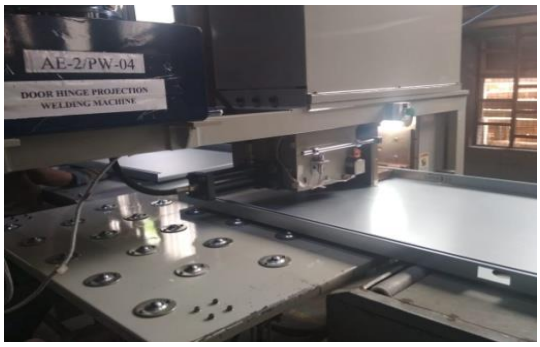
d) **Punching:** The sized sheets will be punched as per the specs like hinge holes handle cutout, lock cutout and vision panel cutout with the help of laser cutting.

e) **Roll Forming:** The Punched Sheets will be entered into the Roll Forming machine, so that the top lid of the door get its edges bent to 180º angle such that it overlaps with pan of the door.

f) **Bending:** The frame sheet and shutter bottom sheet will be bent as per door specifications with either automated P2 bending or auto lift manual press break.

g) **Welding:** Here the sheet undergoes various welding operations in MIG (metal inert gas) and spot welding machine.

Spot Welding



Hinge Projection Welding

Component Welding

Component Welding

h) **Gluing/ Filling:** In order to strengthen the doors, in-filled material such as honeycomb, rock-wool and puff is added between the two sheets.

i) **Pressing:** After in-filling the bottom pan top lid will be joined and send to hot press for proper bonding.

6 daylight pressing

Putting into Hot Press (4 day light pressing)

j) **Top & Bottom:** After pressing the door in hot press the top and bottom ends will be spot welded with 'C' sections. With this operation the door is completely formed.

k) **Buffing:** To remove welded spots and welding marks on the door, such areas will be grinded gently.

l) **Painting:** The finished door surface will be cleaned with solvent to remove dust and oil and sent for powder coating.

m) **Curing:** After powder coating the door sent into an oven for curing at 200º C for 10 min.

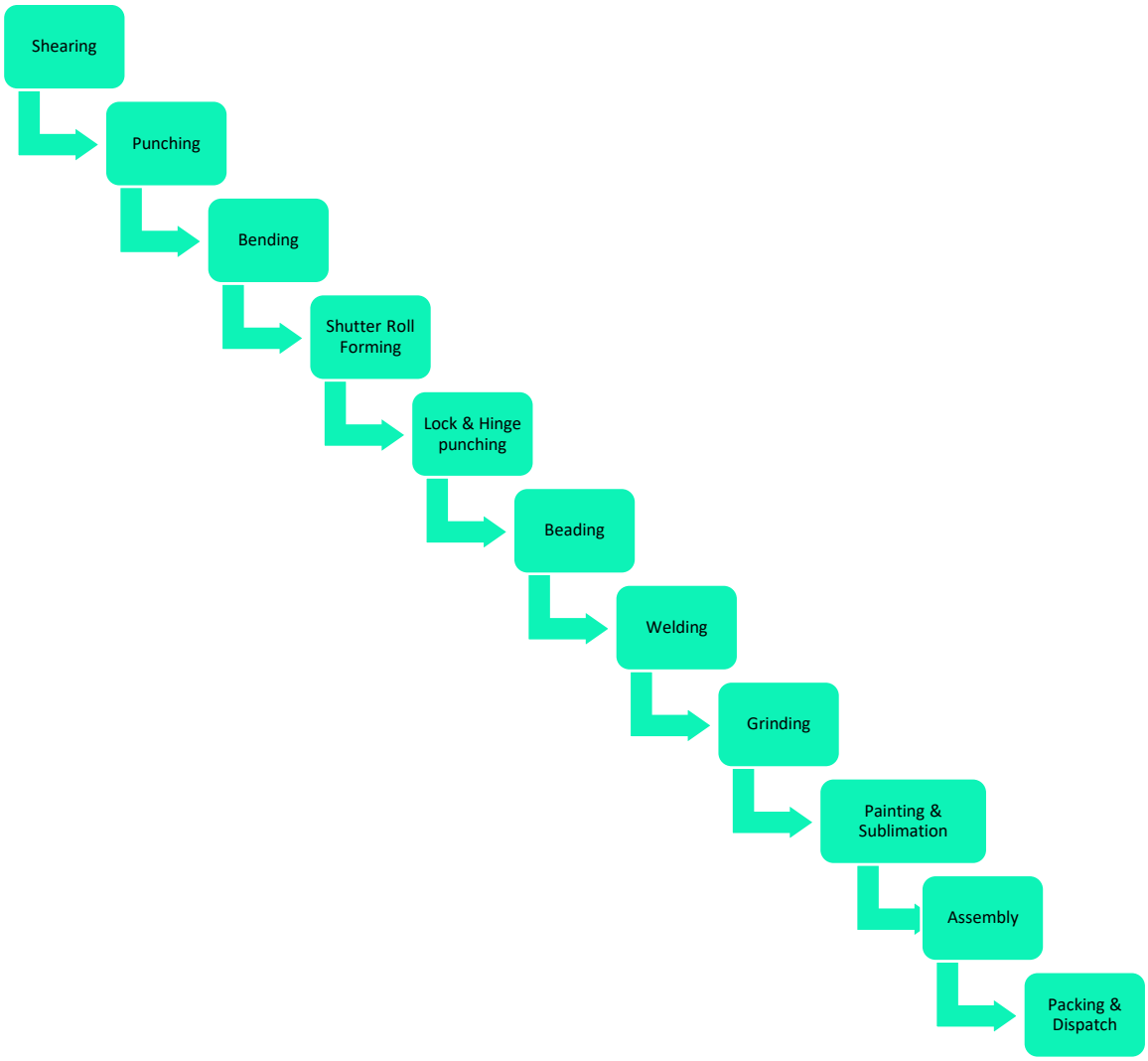
n) **Sublimation:** After powder coating, design paper is pasted on the shutter and frame then vacuum pressed and then sent into an oven to transfer the wood grain design on to the door surface and through this process, derive a beautiful and stylish wood finish metal door.

o) **Packing & Dispatch:** After Painting door will be checked, approved and labeled by quality department and packed in such a way that they can resist the damage caused during transport. It will be done in the following phases:

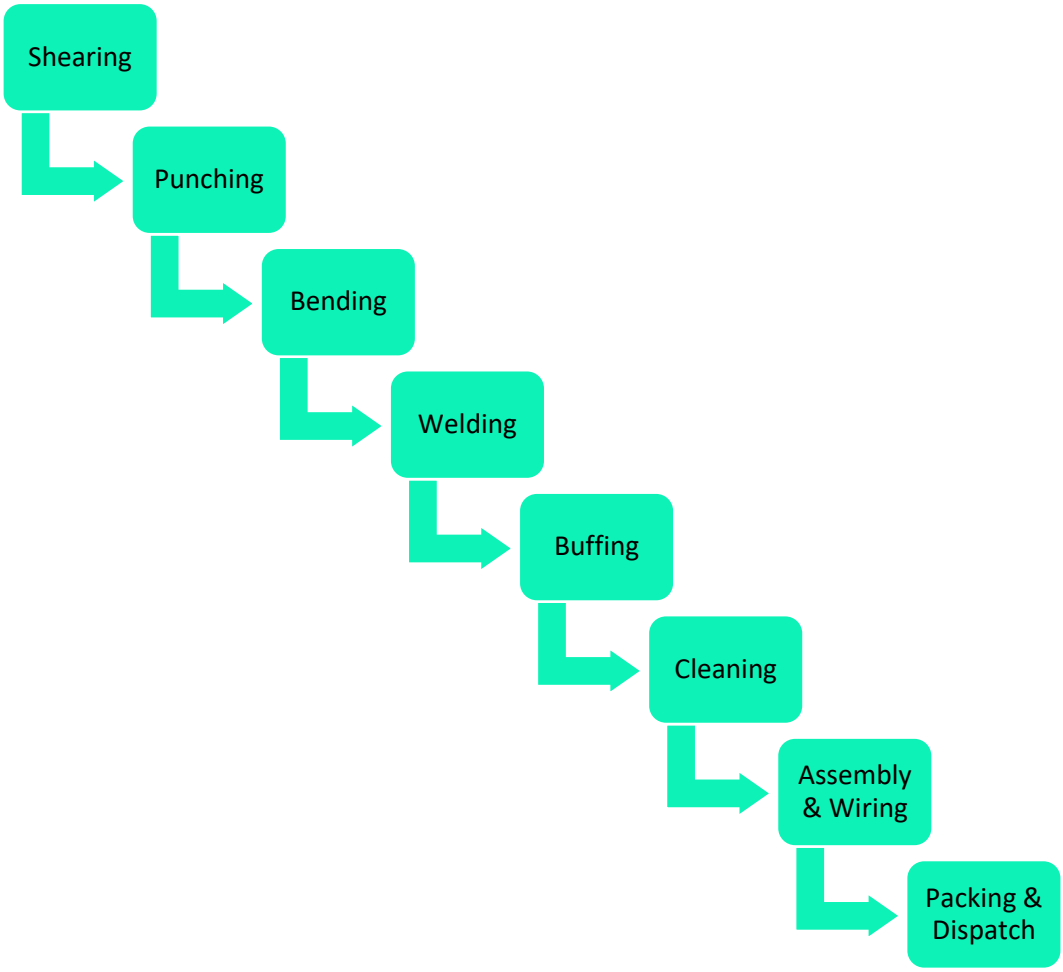
1) Stretch Film (application)
2) Corrugated Sheet (Packaging)
3) Box-Packing (Packaging, based on requirement)

The broad processes for manufacturing of Clean Room Equipment and steel-frame windows are as per the above process. We have depicted the process flow-chart for manufacturing as under:

Windows Manufacturing process chart



Process for Clean Room Equipment



Location

We currently have 3 manufacturing facilities located on the outskirts of Hyderabad. We also have 1 assembling unit and 1 stockyard, located close to our manufacturing facilities, which helps in streamlining our storage and despatch process of our manufactured products. Our manufacturing unit, assembling unit and stockyard are spread across 34,211 square yards which we operate through specialized and imported machinery, alongside indigenous machineries, which gives us an edge over the other competitors in the market. All our manufacturing facilities, including the stockyard are located within a radius of 10 kms for ease of transport, assembly and final dispatch. For further details regarding our manufacturing facilities, please see the section titled "*Properties*" on page 106 below.

Our Competitive strengths

Our primary competitive strengths are:

1. Professional and Experienced Management team

We are a professionally managed organization that is driven by a qualified and dedicated management team, which is led by our Board of Directors. Our senior management team led by our Managing Director and other wholetime directors are function oriented and focussed on their respective tasks, while being collaborative. Our management team's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. We will continue to leverage on the experience of our management team and their understanding of the industry we operate in, to take advantage of current and future market opportunities. For further details, refer to the chapter titled "*Our Management*' on page 121.

2. Quality Products

Ours is a quality conscious organisation, which believes in manufacturing quality products. Led by engineering graduates, our management team is focussed on ensuring minimum defects in our products and quality certifications are only an endorsement of the robust systems and processes developed with years of experience and knowledge. Our products and processes undergo regular quality checks to ensure minimal defects. We have been accredited with ISO 9001:2015 (Quality Management system), ISO 14001:2015 (Environmental Management system) and OHSAS 18001:2007 (Occupational Health and Safety Management system) certifications from TÜV SÜD Management Service GmbH**.**

3. Assured offtake of products

While our Company was into manufacturing and selling of steel doors and clean room equipment, the agreement with Tata Steel Limited has ensured an assured offtake of our products i.e. steel doors. With the assured product offtake, our team can focus their attention on improving production and manufacturing efficiencies, ensuring quality products at reasonable prices to cater to our customers.

4. Strong customer relations with process and line improvement inputs from Tata Steel Limited

With the MMSA agreement signed with Tata Steel Limited, we receive quality inputs from TSL during the manufacturing processes, further strengthening our line processes and gives us an outside perspective. The sharing of knowledge and process and cost improvements by TSL team with us will eventually help us make wider range of excellent quality steel doors at competitive rates. The agreement with Tata is a testimony of our work ethic and quality, endorsed by a leading corporate.

5. Integrated manufacturing facility with independent storage facility

Our Company always endeavours to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the market demand. Our manufacturing units, assembling unit and stockyard are spread across an area of 34,211 square yards and is situated on the outskirts of Hyderabad. We have deployed specialized and imported machinery which is best suited to our manufacturing operations thereby enhancing our product output. We have a common godown/storage facility for finished products within a 10 km radius of our manufacturing facilities, which eases the clutter of storage at manufacturing area and helps in easy dispatch to our customers.

Our Business Strategy

Our key strategies will be to:

1. Enhance our product offerings

Our Company originally started off as a clean room equipment manufacturer. However, over the years, we have continuously sought to expand our product portfolio and in the year 2008 we ventured into the business of manufacturing steel doors and windows. We will endeavour to expand the range of offerings, within our existing product portfolio and also outside our product portfolio as and when the opportunity presents itself and makes commercial sense for us.

2. Continuing innovation, technology upgrade and cost improvements

Continuous innovation in our manufacturing process, technology upgrade and cost improvement is a norm at our Company. Our qualified and technical teams try and ensure minimal wastage and extract out maximum from the resources we have at our disposal, be it the raw materials, be it the energy or the premises we operate in, optimum utilisation is what we believe will help us in innovating process improvements, thereby reducing costs. Additionally, we use the latest technology and machinery to ensure best quality and competitive product output and regularly upgrade our technology and machineries used in the manufacturing process in order to keep up market standards.

3. Further developing our alliances

The MMSA agreement with Tata Steel Limited has given us an opportunity to work with the brightest minds India has in the field of engineering, manufacturing, distribution & marketing, sales management amongst others. While we always look forward to learn and implement the best practices, TSL can be assured about the quality specifications and timely deliveries. In the future, we may further develop our relationship with TSL by expanding our geographical footprints, in case TSL intends to appoint/add another manufacturer for steel doors, we have a first right to set up manufacturing facilities for TSL in India, except the northern states/region of Jammu & Kashmir, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Uttar Pradesh, New Delhi, Rajasthan and Chandigarh.

In terms of the MMSA agreement, TSL has inquired with our Company to set up a new manufacturing facility in Jharkhand (near Jamshedpur). The discussion about setting up the plant is currently at a preliminary stage and nothing material or concrete has been finalised.

Our overall business strategy will be to:

- Maximize revenue through capacity expansion and increase in efficiency
- Reduction in cost of borrowing
- Enhancing production efficiency and minimize process losses
- Reduce operational costs and be cost competitive
- Have a consumer centric approach and deliver quality products
- Deliver value for money to our clients
- Adopt best practices in all functions and processes

Plant and Machinery

The following is the list of major plant and machineries we have installed at our facilities:

Sr. No	Name of the Machinery	Domestic / import	Qty	Utility
1	Laser Cutting Machine	Import	1	Shearing & Punching
2	Panel Bender	Import	1	Bending
3	CNC Laser Cutting Machine	Import	1	Shearing & Punching
4	CNC Turret Punch Press	Import	1	Punching
5	CNC Hydraulic Embossing Press Machine	Import	1	Sheet Embossing
6	Roll Forming Machine	Import	1	Profile Roll-forming
7	Automatic Electrostatic Powder Coating System	Import	1	Powder Coated
8	High Pressure Foam Machine	Import	1	Puff Filling
9	Transfer Printing Wood Grain Machine for Complete Door	Import	1	Sublimation
10	Transfer Printing Wood Grain Machine for Complete Door Frame	Import	1	Sublimation
11	Special Purpose Capacitor Discharge Stored Energy Welder	Domestic	1	Projection Welding
12.	Private Pivapunch PCC125TT Punching Line for coil (along with necessary accessories)	Import	1	Shearing and Punching

Collaboration

While there is no collaboration per se (technical or marketing) with any party we have entered into, we have entered into a MMSA with TSL, the details of which are mentioned above in this section and chapter titled "*History and Certain other Corporate Matters*" beginning on page 115 of this Red Herring Prospectus.

Utilities and Infrastructure Facilities

The major raw material required for our business are:

1. Galvanized Iron (GI) sheets, Stainless Steel sheets (SS) and packing material (Locally available)
2. Honeycomb paper, Glue, Coating powder (Imported)
3. Sublimation paper/film (Imported)
4. Hardware and accessories (Imported as well as sourced locally)

These raw materials are mostly available locally and few of them are imported as well as described above. Depending on the factors of quality, availability and pricing, we either import these or source locally. While usually there is no shortage of any raw materials, these are kept in stock based on production patterns and orders. Other general consumables and stores material are also sourced locally and are available at short notice. We also hold most of the raw materials in the form of inventory depending on the order book demand from our clients and the macro outlook. Our raw material costs incurred for the past three fiscals are as under:

Raw Materials (₹ Lacs)	FY 18	FY 17	FY16
Imported	375.64	105.04	89.04
Indigenous	8001.71	7040.62	6507.05
Total	**8,377.35**	**7,145.66**	**6,596.09**

Power & Gas

We have a load sanction from local State Electricity Board for the supply of electrical energy for use in our existing facilities for operating machineries (Unit I – 160KVA; Unit 2 – 250 KVA and Unit 3 – 250 KVA). The units have corresponding generator backups and also low voltage load sanctions for other general lighting and usage.

We use gas for the ovens for the sublimation process and powder coating plant. Commercial gas/LPG is supplied to us by HPCL through its official authorised vendors.

Water

We meet our water requirement for the plant operations through bore wells installed within the Company premises. For drinking and potable use, water is supplied through available water tanker provided through local municipal authority.

Manpower

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance. Our employees at our manufacturing facilities are not part of any union. The following is a break-up of our employees as on July 31, 2018:

Particulars	No. of employees (As on July 31, 2018)
Full-time employees	
Management and seniors	28
Office Support Staff	210
Skilled workers	97
Semi-Skilled workers	15
Sub-total (A)	350
*Contract workforce**	
Labourers	1,035
Housekeeping, security etc.	50
Sub-total (B)	1,085
Total (A+B)	**1,435**

*We hire labourers through recognised/registered contractors on a need basis.

Past Production figures for the Industry

There are no production estimates for the production of doors and steel frame windows from any reliable source. With the government's focus on 'Housing for All' by 2022 and 'Affordable Housing' being the flavour combined with the expansion of real estate in Tier II and Tier III cities within the realty sector, the demand for doors and

windows is expected to be robust, based on the new homes and also substantially due to the replacement of existing wooden doors and windows.

The present size of cleanroom market in India estimated to be somewhere around ₹ 5000 crores, is expected to add another ₹1000 to ₹1500 crore growth in the next one to two years.

(Source: http://www.pharmabiz.com/NewsDetails.aspx?aid=94439&sid=21)

For further details of the industry data refer to the chapter titled "*Industry Overview"* beginning on page 81 of this Red Herring Prospectus.

Competition

Our Company is mainly engaged in the business of manufacturing 1) Steel Doors, 2) Steel frame windows and 3) Clean Room Equipment, furniture and allied products. Having being in this business for more than a decade, we have developed in-house expertise and our clients have been satisfied with our products. There are many other local and/or unorganised manufacturers, who may be manufacturing products which are similar to ours, but our fit, finish and quality specifications are difficult to emulate. However, as we enter a much larger growth phase, there will be many domestic and international manufacturers whom we may compete with, including any new entrants. As our Company enter newer markets, we are likely to face additional competition from those who may be better capitalized, have longer operating history, have greater brand presence, and better management than us. If we are unable to manage our business it might impede our competitive position and profitability. We intend to continue competing using the resources available at our disposal to capture more market share and adding more resources as required, including human resources to manage our growth in an optimal way.

Approach to Marketing and Marketing Set-up

Our marketing strategy is based on the products type and the end use segment. Most of our products are shipped to a few clients, which are industrial and commercial customers. Other than that we have a marketing team who constantly are in touch with local vendors for marketing our products. The marketing team of our Company is under direct supervision of Managing Director. Our marketing team constantly explores the local and national markets for placing its products and to earn recognition, in terms of quality, pricing and awareness about our Company.

For the products manufactured and supplied to Tata Steel Limited, the marketing responsibility lies with Tata Steel Limited and they market the same under the brand "Pravesh" through their distribution network.

Future Prospects

With the government's focus on 'Housing for All' by 2022 and 'Affordable Housing' being the flavour within the realty sector, the demand for doors and windows is expected to be robust, based on the new homes and also substantially due to the replacement of existing wooden doors and windows. With established real estate players also expanding their footprints beyond Metro and Tier I cities to more affordable Tier II and Tier III cities, the demand for housing, and therefore doors is expected to be robust.

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 FY2008-2020, 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.

(Source: https://www.ibef.org/industry/real-estate-india.aspx)

With more and more investors coming forward to invest in the ever-growing sectors like food, pharma and biotechnology thanks to the confidence building measures taken up by the central and state governments, the Indian cleanroom industry is expected to witness a boom period in the coming years. With the encouraging environment prevailing in the country, many industries making high quality medicines and innovative research or even in food and beverages manufacturing are keen on investing in cleanrooms. Growing competition ensures the companies install the best cleanroom equipment to ensure highest quality standards in their manufacturing and research centers. Because of this trend, the clean room industry in the country is witnessing a positive growth.

The present size of cleanroom market in India estimated to be somewhere around ₹ 5000 crores, is expected to add another ₹1000 to ₹1500 crore growth in the next one to two years. The market is growing at a healthy rate partly due to increased demand for sterile biologic drugs, although access to skilled cleanroom operators will be an issue in the future. Overall drivers of demand for cleanroom technology in the pharma industry include the generally healthy growth of the industry and increasing demand for biologic drugs, many of which are offered as sterile parenteral formulations. Other factors include increasingly strict regulatory requirements, the increasing potency of many new small-molecule and biologic drugs that require special containment systems and operating procedures, and increase safety operator safety requirements.

(Source: http://www.pharmabiz.com/NewsDetails.aspx?aid=94439&sid=21)

Capacity & Capacity Utilisation

Our capacity and capacity utilisation for the last three financial years is tabulated below:

Particulars	Fiscal 16	Fiscal 17	Fiscal 18
Steel Doors			
Installed Capacity (per annum)	1,32,000	1,32,000	1,32,000
Utilised Capacity	91,312	93,121	1,09,200
% Utilisation	69%	71%	83%

Capacity and utilisation details for clean room equipment, furniture, windows and other equipment cannot be determined due to 1) large number of products 2) such products being highly customised and 3) manufacturing equipment and machineries being interoperable for such products.

Projected capacity and capacity utilisation for the next three financial years is as tabulated below:

Particulars	Fiscal 19	Fiscal 20	Fiscal 21
Steel Doors			
Installed Capacity (per annum)	3,40,400	5,64,000	6,24,000
Utilised Capacity	3,00,000	4,80,000	4,80,000
% Utilisation	88%	85%	77%

The above is based on the certification dated June 06, 2018, issued by Global Engineers and Industrial Consultants, Chartered Engineer.

Export Possibilities & Export Obligation

Our Company is currently supplying majorly into Domestic Market. While we are open to export our products, the same depends on the economics of the export order as and when we receive the same. We have however availed the EPCG scheme by importing foreign machinery. As per the EPCG scheme, we are required to export goods aggregating in value to six times of the custom duty saved, failing which an amount equivalent to the duty amount saved along with interest at applicable rates would be required to be paid to the Government of India.

As on July 31, 2018, the following export licences have been availed, on which export obligations are pending:

License number	0930012011/3/12/0016/2015	0930012890/3/12/00016/2015	0930013128/3/12/00016/2015	0930013714/2/12/0016/2015
Name of Material	1) Laser Machine ISEO Model 1 KW series 2) Deratech Hydraulic Pressbrake Ultima Plus 170/4100 3) Deratech Hydraulic Pressbrake Ultima Plus 170/4100 4) Box Panel Rollformer	1) Transfer Printing Machine customized for door frame 2) Transfer Printing Machine customized for complete door 3) Powder Coating Plant Customized 4) Hydraulic Press Machine	1) Mazak CNC Laser cutting machine space gear 2) Film bagging machine 3) Transfer printing machine for complete door customized 4) Transfer printing machine for door frame customized 5) Powder coating plant customized 6) Panel Bender	1) Pivatic Pivapunch PCC 125TT punching line for coils (along with necessary accessories) 2) Sublimation machine for complete door shutter model: TP-Y
Issue Date	April 19, 2016	March 9, 2017	June 6, 2017	July 27, 2018

Duty Saved (₹ in Lakhs)	223.147	136.232	422.683	248.52
Export Obligation (₹ in Lakhs)	1,338.88	817.39	2,536.10	1,491.17
Export Obligation Completed	1,338.88	530.85	Nil	Nil
Balance export obligation to be completed (₹ in Lakhs)	0.00*	286.55	2,536.10	1,491.17
Period up to which export obligations to be completed	-	6 years from the date of import	6 years from the date of import	6 years from the date of import

** Our Company has completed the said obligation in June 2017. However, as on date we have not intimated DGFT regarding the completion of the said obligation.*

In case our Company does not fulfil the export obligation the company shall be liable to pay ₹ 718.97 lacs being duty saved with interest @15% p.a. on the amount saved from the date of first consignment till the date of payment.

Property

We carry out our business operations from the following properties:

i) Freehold Property

Sr. No.	Details of the Document	Particulars of the Property	Consideration	Usage
1.	Sale Deed dated April 21, 2008 between Akinaboina Golla Pedda Komuriah and Akinaboina Golla Ashok (Vendors) and our Company (Vendee)	Open Land, in Survey Nos. 66, 68, & 69, total admeasuring Ac. 0-10 Gts. , equivalent to 1210.0 Sq. Yards or 1011.56 Sq. mts. , situated at Bahadurpally Village, Quthbuallpur Mandal, Ranga Reddy District - 500 074, Telangana, India.	₹ 36,30,000	Manufacturing Unit -2
2	Sale Deed dated April 28, 2015 between Akinaboina Golla Pedda Komuriah (Vendor) and our Company (Vendee)	Open Land, (South side) in Survey Nos. 66, 68 & 69, total admeasuring Ac.0-10 Gts., equivalent to 1210.0 Sq.yards or 1011.56 Sq.mts., situated at Bahadurpally Village, Quthbuallpur Mandal, Ranga Reddy District - 500 074, Telangana, India	₹ 39,93,000	Manufacturing Unit -2
3.	Sale Deed dated October 20, 2005 between Akinaboina Golla Bikshapathi (Vendor) and our Company (Vendee)	Agricultural Land bearing Dy. No. 66 Ac.0-16 gts. , and Sy. No. 6B Ac. 0-14 gts. , total admeasuring Ac. 0-30 gts. , equivalent to 3630 sq. yds. , or 3034.68 sp. Mts. , situated at Bahadurpally Village, Quthbuallpur Mandal, Ranga Reddy District -500 074, Telangana, India	₹. 36,30,000	Manufacturing Unit -2
4.	Sale Deed dated July 17, 2018 between Ahlada Industries Private Limited	All that is part and parcel of the land admeasuring 4840 sq yards, with a plinth area of 1200 sq ft in ground floor, and first floor with 1200 sq. ft, PEB shed	₹ 4,50,00,000	Manufacturing Unit - 1

Sr. No.	Details of the Document	Particulars of the Property	Consideration	Usage
	(Vendor) and our Company (Vendee)	with 30,000 sq. ft, and another ACC shed with a plinth area of 1280 sq. ft, thus the total admeasuring 33,680 sq. ft, in survey nos.66, 67 and 68 situated at Sahadurpally Village and Gram Panchayat, Gandimaisamma-Dundigal Mandai, Meedchal-Malkajgiri District, Hyderabad – 500 043, Telangana, India		

ii) Leasehold Property

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease Agreement dated January 27, 2018 entered into between S. Ratnakala (Lessor) and our Company (Lessee)	Warehouse No.10, admeasuring the total area of 32568 Sq ft. in Sy no. 217 and 218 at KandlakoyaVillage, Medchal Mandai, Medchal District – 501 401, Telangana, India	1.The rent per month, exclusive of electricity, water charges and maintenance is ₹ 2,73,571/- 2.The lessee has to deposit an interest free refundable Security deposit of four months at ₹ 10,94,285 3) The lessee shall pay GST tax and other rates and statutory levies 4) All electricity charges, water charges and maintenance charges are to be paid by the Lessee.	A period of 36 months, commencing from February 1, 2018 to January 31, 2021 after which this agreement is deemed to be null and void.	Unit 4 (Warehouse facility)
2.	Lease Agreement dated January 27, 2018 entered into between S Arun Reddy (Lessor) and our Company (Lessee)	Warehouse No.8, admeasuring 33839 Sft, in Sy no. 217 and 218, Kandlakoya Village, Medchal Mandai, Medchal District – 501 401, Telangana, India.	1. The rent per month is ₹ 355,310.00 2. It is set to increase 10% every 2 years. 3. The lessee has to deposit an interest free refundable Security deposit of 4 months valued at ₹ 14,21,240/-	A period of 36 months, commencing from February 1, 2018 to January 31, 2021 after which this agreement is deemed to be null and void.	Assembly Unit 5 for clean room equipment and windows
3.	Lease Agreement dated March 22, 2017 entered into between Datla Satyanarayana Raju (Lessor) and our Company (Lessee)	Door No.4-56, in Sy.No.62/1, A Part, admeasuring Ac. 2-31.97 Gts., equivalent to 13548.37 Sq. yards and Sy.No.67 Part, admeasuring Ac.0-09.78 Gts., equivalent to 1184	1. A monthly fixed rent of ₹ 8,63,000/- which is payable as	1. An initial period of 10 years commencing from May 1, 2017 to April 30, 2027	Manufacturing Unit - 3

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
		Sq.yards, total admeasuring Ac.3-01.97 Gts equivalent to 14732.37 Sq.yards or 12316.26 Sq.mts., and 23654.36 Sq.fts. Constructed Shed Consisting of (i) Pre engineering building Shed super built up area of 22284.66 Sq.ft. (ii) ACC Sheet roofing of existing 4 labour rooms built up area of 1031. 12Sq.ft (iii)ACC Sheet Roofing of Security Room built up area of 150.48 Sq.ft (iv) ACC Sheet Roofing of Toilet Block built up area of 188.10 sq.ft And constructed with plinth area of 55,178 Sq.ft pre engineering building shed consisting of (i)29,580 Sq.ft., in Ground Floor and (ii)25,598 Sq.ft., in Mezzanine floor for manufacturing unit purpose situated at Bahadurpally Village, Quthbullapur MandaI, Ranga Reddy District- 500 074, Telangana, India.	i. Pre engineering building Shed- ₹ 2,67,416 ii. ACC Sheet roofing of existing- ₹.7,218/- iii. ACC Sheet Roofing of Security Room – ₹ 1,053 iv. ACC Sheet Roofing of Toilet Block- ₹ 1,317 v. Pre Engineering Building Shed- For Ground Floor- ₹ 3,54,960; For Mezzanine Floor- ₹ 2,30,382 2. The Lease Rent shall be enhanced by 4% after every year. 3. An interest free refundable security deposit amount of ₹ 25,89,000/- 4. The Lessee shall be responsible for payment of all the electricity Charges.	2. Upon expiry of the lease term, the agreement can be renewed at the sole option of the Lessee by providing a 3months prior notice to the Lessor.	
4.	Lease Deed dated October 29, 2016 entered into between Akinaboina Golla Pedda Komuriah (Lessor) and our Company (Lessee)	Open Land, (North side) in Survey Nos. 66, 68, & 69, total admeasuring. 0-10 Gts. , equivalent to 1210.0 Sq. Yards or 1011.56 Sq. mts. , situated at Bahadurpally Village and Gram Panchayat, Quthbullapur Mandal Ranga Reddy District- 500 074, Telangana, India	A monthly rent of ₹ 6000/-	The tenancy shall commence from May 1, 2016 to April 30, 2027 for a period of 11 years	Manufacturing Unit - 2

Intellectual Property

The logo used by us in the ordinary course of business is not registered and we have made an application for registering the same, details of which are as follows:

Sr. No.	Description	Application No.	Class	Date of Application
	Logo			
1.	ahlada Engineering a better tomorrow ahlada Engineering a better tomorrow!	3834480	06	May 16, 2018

Sr. No.	Description	Application No.	Class	Date of Application
2.	Ahlada	3834481	06	May 16, 2018
	Patents			
3.	A movable Barrier with door skins accommodated on a frame	2857/CHE/2009	-	November 20, 2009

Except as mentioned above our Company owns the following trademark:

Sr. No.	Description	Registration No.	Class
1.	Ahlada	1884839	06

Insurance

As on date of this Red Herring prospectus we have obtained a various insurance policies such as special perils policy, public liability industrial policy, business package policy, employee accidental, medical expenses policy, private car – comprehensive policy, two wheeler package policy, commercial vehicle package policy, standard fire, auto secure private car package policy, etc. There are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which may expose us to certain risks and liabilities. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our results of operations and financial position. See "*Risk Factors – Internal Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition"* on page 23.

Corporate Social Responsibility

We recognize our role and responsibility to deliver superior and sustainable value to our customers, business partners, employees and communities. We have adopted a Corporate Social Responsibility ("**CSR**") policy on May 19, 2018, in compliance with the requirements of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government.

Though as on date of this Red Herring Prospectus, we have not incurred expenditure on CSR activities in the future we intend to invest our resources on CSR activities in the most meaningful way.

KEY REGULATIONS AND POLICIES

The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.

The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the BRLM are under no obligation to update the same.

A. Business Related Laws

Factories Act, 1948

Factories Act, 1948 ("**Factories Act**") regulates the provisions relating to labour in factories. The Factories Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the preceding twelve months and on which an electronic manufacturing process is carried on. Further, it also includes any premises on which twenty or more workers are employed or were employed on any day of the preceding twelve months and on which a manufacturing process is ordinarily carried on without the use of electricity. The applicant needs to submit the prior plans and obtain the approval of the respective State Government for the establishment, registration and licensing of factories. The provisions for the same are contained in the rules made by the respective State Governments. The Factories Act provides for provisions relating to health and safety, cleanliness and safe working conditions. Employment of women and children in the factories is prohibited under the Factories Act. Violations to any of the provisions of the Factories Act or the rules framed there under may lead to the imprisonment of the occupier or the manager of the factory for a term not exceeding two years and/or with a fine of ₹ 1,00,000 or both. If any continuing violation after conviction is observed, a fine of up to ₹ 1,000 per day of violation may be levied.

The Ministry of Labour and Employment proposes to amend the Factories Act, 1948 vide Office Memorandum dated June 5, 2014 wherein it is proposed to redefine the term "hazardous process" as a process in which a hazardous substance is used and the term "hazardous substance" would have the same meaning as assigned in the Environment Protection Act, 1986. An Occupier would now be required to take permission from the State Government for expansion of a factory within certain prescribed limits. Various safety precautions have been taken by the State Government to prevent persons to enter any confined space unless a written certificate has been given by a competent person and such person is wearing a suitable breathing apparatus. The occupier of a factory which is engaged in a hazardous process is required to inform the Chief Inspector within 30 days before the commencement of such process. An Inquiry Committee will be appointed by the Central Government to inquire into the standards of health and safety observed in the factory.

The Industries (Development and Regulation) Act, 1951.

The Industries (Development and Regulation) Act, 1951("**Industries Regulation Act**") is an act which governs the development and regulation of industries in India. The main objectives of the Industries Regulation Act is to empower the Government:- (i) to take necessary steps for the development of industries; (ii) to regulate the pattern and direction of industrial development; (iii) to control the activities, performance and results of industrial undertakings in the public interest. The Industries Regulation Act applies to the 'Scheduled Industries' listed in the First Schedule of the Act. However, small scale industrial undertakings and ancillary units are exempted from the provisions of the Industries Regulation Act.

The Industries Regulation Act is administered by the Ministry of Industries & Commerce through its Department of Industrial Policy & Promotion (**"DIPP"**). The DIPP is responsible for formulation and implementation of promotional and developmental measures for growth of the industrial sector. It monitors the industrial growth and production, in general, and selected industrial sectors. Certain categories of industries require industrial licensing under the Industries Regulation Act. Such industries have to file an Industrial Entrepreneur Memoranda (**"IEM"**) with the Secretariat of Industrial Assistance (SIA), Department of Industrial Policy and Promotion to obtain an acknowledgement.

The Legal Metrology Act, 2009 and the Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act, 2009 ("**Legal Metrology Act**") governs the standards/ units/denominations used for weights and measures as well as for goods which are sold or distributed by weights, measure or number. It also states that any transaction/ contract relating to goods/ class of goods shall be as per the weight/ measurements/numbers prescribed by the Legal Metrology Act. Every unit of weight or measure shall be in accordance with the metric system based on the international system of units. Using or keeping any weight or measure otherwise than in accordance with the provisions of the Legal Metrology Act is an offence, as is tampering or altering any reference standard, secondary standard or working standard. Moreover the Legal Metrology Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the Legal Metrology Act. The Legal Metrology (Packaged Commodities) Rules, 2011("**Legal Metrology Rules**") was also enacted under the Legal Metrology Act. According to the Legal Metrology Rules, no person shall pre-pack or cause or permit to be pre-packed any commodity for sale, distribution or delivery unless a declaration is made on the package as required under the Legal Metrology Rules. Every manufacturer, packer and importer who pre-packs or imports any commodity for sale, distribution or delivery is required to be registered. On September 7, 2016, the Indian Ministry of Consumer Affairs, Food, and Public Distribution's Department of Legal Metrology amended the Legal Metrology Rules.

Electricity Act, 2003 ("Electricity Act") and Electricity Rules, 2005

Electricity Act is an act to consolidate the laws relating to generation, transmission, distribution, trading and use of electricity. The Electricity Rules, 2005 were formulated in exercise of the powers under 176 of the Electricity Act. The Electricity Act states that, no person other than central transmission utility or state transmission utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts which is a factory within the meaning of Factories Act, 1948 without giving before the transmission or use of electricity not less than 7 days' notice in writing of his intention to the electrical inspector and to the district magistrate or the commissioner of police, as the case may be, containing the particulars of electrical installation or plant and the nature and purpose of supply of such electricity.

Bureau of Indian Standards Act, 2016 ("BIS Act") the rules framed thereunder

The BIS Act provides for the establishment of a national standards body for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services. The BIS Act provides for the functions of the bureau which includes, among others (a) recognize as an Indian standard, any standard established for any article or process by any other institution in India or elsewhere; (b) specify a standard mark to be called the, Bureau of Indian Standards Certification Mark, which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

Shops and Commercial Establishments Acts

Shops and Establishments Acts are state enactments being different for every state of India. The Act is intended for the regulation of conditions of work, number of days of leave and employment in shops, commercial establishments and other establishments. Every establishment not regulated/being under the purview of Factories Act, 1948 has to be registered under the respective state Shops and Establishments Act.

Regulation of Foreign Investment in India

Foreign investment in India is governed primarily by the provisions of the The Foreign Exchange Management Act, 1999 ("**FEMA**"), and the rules, regulations and notifications thereunder, as issued by the RBI from time to time. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 by Notification No. FEMA 20(R)/ 2017-RB dated November 7, 2017 ("**FEMA Regulations**") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. As laid down by the FEMA Regulations, no prior consents and approvals is required from the RBI, for Foreign Direct Investment **("FDI")** under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in

respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

The Foreign Trade (Regulation and Development) Act, 1992 and the rules framed thereunder ("FTA")

The FTA is the main legislation concerning foreign trade in India. The FTA read along with Foreign Trade (Regulation) Rules, 1993 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. Under the EXIM Policy, export of defense equipment falls under the restrictive Special Chemicals, Organisms, Materials, Equipment and Technologies list and requires a license.

The FTA prohibits anybody from undertaking any import or export except under an Importer-Exporter Code number ("**IEC**") granted by the Director General of Foreign Trade pursuant to section 7. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority.

B. Laws relating to Employment

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India include the following which is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Compensation Act, 1923;
- Workmen's Compensation Act, 1923;
- Employees (Provident Fund and Miscellaneous Provisions) Act, 1952;
- Employees' State Insurance Act, 1948;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;
- Child Labour (Prohibition and Regulation) Act, 1986
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Apprentices Act, 1961;
- Weekly Holidays Act, 1942
- Payment of Wages Act, 1936;
- Equal Remuneration Act, 1976;
- Public Liability Insurance Act, 1991;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; and
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

C. Intellectual property laws

The Information Technology Act, 2000

The Information Technology Act, 2000 has been enacted to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "Electronic Commerce", which involve the use of alternatives to paper-based methods of communication and storage of information etc. Additionally, the said Act also provides for civil and criminal liabilities including fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems; it also recognizes contracts concluded through electronic means, creates liability for failure

to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. It also provides civil and criminal Liabilities. The Information Technology Act also provides punishment for offences committed outside India.

The Department of Information and technology under the Ministry of Communications & information Technology, Government of India, has notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive personal Data or Information) Rules 2011 which gives directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The said Rules also require the body corporate to provide a privacy policy for handling and dealing on personal information, including sensitive personal data.

Intellectual Property Rights

Intellectual property rights in India enjoy protection under both statutory and under common law. The key legislations governing intellectual property in India are the Copyright Act, 1957, Patents Act, 1970, the Trade Marks Act, 1999 and Designs Act, 2000. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement. Additionally, India is also a party to several international agreements for the protection of intellectual property rights.

D. Tax Related Legislations

Finance Act, 2018

The Finance Act, 2018 received the assent of the President on 29th March, 2018 and came into force on April 1, 2018 to give effect to the financial proposals of the Central Government for the financial year 2018-2019. The Finance Act contains necessary amendments in the direct taxes (e.g. income tax and wealth tax) and indirect taxes (e.g. excise duties, custom duties and service tax) signifying the policy decisions of the Union Government for the year 2018-2019.

Goods and services tax

The Constitution (One Hundred and First Amendment) Act, 2016 which received presidential assent on September 8, 2016 paved the way for introduction of goods and services tax ("**GST**") by making provisions with respect to goods and services tax. Accordingly, the following GST acts have been enacted:

- Central Goods and Services Tax Act, 2017
- Integrated Goods and Services Tax Act, 2017
- Union Territory Goods and Services Tax Act, 2017, and
- Goods and Services Tax (Compensation to States) Act, 2017.

Taxes on professions, trades, callings and employments

Every person engaged in any profession, trade, callings and employment is liable to pay tax at the rate prescribed by the respective state government. It is considered necessary to levy tax on profession, trade callings and employment in order to augment state revenues. Every state is empowered by the Constitution of India to make laws relating to levy of taxes on professions, trades, callings and employments that shall serve as the governing provisions in that state.

Other Tax Related Legislations

The following is an indicative list of tax laws applicable to the business and operations of the Company:

- Income Tax Act, 1961 and Income Tax Rules, 1962;
- The Customs Act, 1962;
- The Central Excise Act, 1944;
- Central Excise Tariff Act, 1985;
- Customs Tariff Act, 1975;
- Taxation Laws (Amendment) Act, 2017.

E. Environmental Laws

Each Company must ensure compliance with environmental legislation, such as the Water (Prevention and Control of Pollution) Act 1974, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended, the Environment Protection Act, 1986, as amended, and the rules and regulations thereunder. The basic purpose of these statutes is to control, abate, prevent pollution and conserve the country's forests. In order to achieve these objectives, Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that units or plants are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the plant in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed.

On September 14, 2006 the Environmental Impact Assessment Notification S.O. 1533 (the "**2006 Notification**") was issued by the Ministry of Environment and Forest. Under the 2006 Notification, the environmental clearance process for new projects consists of four stages – screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant is required to make appropriate changes in the Draft Environment Impact Assessment Report and the Environment Management Plan. The final Environment Impact Assessment Report has to be submitted to the concerned regulatory authority for appraisal. The regulatory authority is required to give its decision within 105 days of the receipt of the final Environment Impact Assessment Report.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as '*Ahlada Engineers Private Limited'* on August 10, 2005 as a private limited company under the Companies Act, 1956, with the Registrar of Companies, Andhra Pradesh, Hyderabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders dated January 23, 2018 and consequently the name of our Company was changed to "*Ahlada Engineers Limited*" vide a fresh certificate of incorporation consequent upon conversion from Private company to Public Company dated February 6, 2018 issued to our Company by the Registrar of Companies, Andhra Pradesh and Telangana, at Hyderabad. The Corporate Identification Number of our Company is U24239TG2005PLC047102.

Change in registered office of our Company

The registered office of our Company was originally situated at Flat No. 204, Datta Sai Apartments, Vijaya Nagar Colony, Kukatpally, Hyderabad- 500 072, Andhra Pradesh. Thereafter, the registered office of our Company was changed to the following addresses:

Date of Change	New address	Reason for Change
August 10, 2007	SY 66 & 68, Bahadarpally, Qutubullapur Mandai, ranga Reddy District, Hyderabad – 500 043, Andhra Pradesh, India.	Administrative convenience
January 23, 2018	Door No. 4-56, SY No. 62/1/A & 67, Tech Mahindra Road, Bahadurpally Village, Qutbullapur Mandal, Hyderabad- 500 043, Telangana, India	Administrative convenience

Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2006	Started with manufacturing of clean room furniture and pharmaceutical equipment (Existing Unit 2)
2008	Ventured into manufacturing of steel doors for pharmaceutical, hospitals, commercial sectors etc.
2012	Introduced wood finished steel doors and windows for residential use
2016	Expanded its manufacturing facility (Present Unit 3)
2017	Our Company entered into a Master Manufacture And Supply Agreement with Tata Steel Limited Expanded its manufacturing facility (Present Unit 1) (Unit 1 & 2 are contiguous units)
2018	Our Company was converted from a private limited company to a public limited company and the name of our Company was changed to "*Ahlada Engineers Limited*".
	Received ISO 14001:2015 (Environmental Management system) for Design, Manufacture, Supply and Installation of Steel Door Sets, Steel Window Sets, Demountable Wall Partition Panels & Ceiling Panels, Clean Room Equipment and Clean Room Furniture from TÜV SÜD Management Service GmbH.
	Received OHSAS 18001:2007 (Occupational Health and Safety Management system) for Design, Manufacture, Supply and Installation of Steel Door Sets, Steel Window Sets, Demountable Wall Partition Panels & Ceiling Panels, Clean Room Equipment and Clean Room Furniture from TÜV SÜD Management Service GmbH.
	Received ISO 9001:2015 (Quality Management system) for Design, Manufacture, Supply and Installation of Steel Door Sets, Steel Window Sets, Demountable Wall Partition Panels & Ceiling Panels, Clean Room Equipment and Clean Room Furniture from TÜV SÜD Management Service GmbH.

Amendments to the Memorandum of Association

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

Date of shareholder's resolution	Nature of amendments
January 23, 2018	*The name of our Company was changed from Ahlada Engineers Private Limited to Ahlada Engineers Limited pursuant to the conversion from private limited company to public limited company*
December 23, 2017	*Increase in the authorized share capital of the Company from ₹ 4,50,00,000 divided into 45,00,000 equity shares of ₹ 10 each to ₹ 15,00,00,000 divided into 1,50,00,000 equity shares of ₹ 10 each*
	The incidental object clause was altered to amend the titile to "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A)

Date of shareholder's resolution	Nature of amendments
	ARE :-"
	The other objects clause was deleted to remove clause III (c), which read as follows: 1. *To act as representatives, distributors, agents, brokers, whether sole or for a particular territory of any firm or Company whether Indian or Foreign and to appoint representatives, distributors, stockists, agents or brokers, whether sole or for different territories of the goods produced or purchasedby the Company on such terms and conditions as the Company shall think fit and generally to transact and carry on all kinds of agency business.* 2. *To establish promote and maintain Informatic, Infrastructure projects, software Technology parks in India & abroad also to promote trading of software Technology from India to all parts of the world thus generate high volume of foreign exchange and also to undertake the designing and development of software systems and applications or purchase or otherwise acquire the same for own use or sale in India, or export abroad and also to design and develop such systems and application software for or on behalf of manufacturers, owners and users of computer systems and digital electronic equipment in India or in any other country.* 3. *To establish, promote and maintain training centers and institutes for imparting computer education in software and hardware and issue diplomas, certificates and degrees to the persons trained there at and to sponsor conduct or otherwise participate in training programme, courses, seminars and conferences, meetings for spreading or imparting the knowledge and use of computers and allied matters.* 4. *To undertakeand execute feasibility studies for setting up of all kinds of computer systems and digital/electronic equipment and the selection acquisition and installation thereof whether for the Company or its customers or users and purchase, buy, acquire on lease or hire purchase, sell, dispose of, lease out or otherwise deal with computer hardware. To establish, promote, run, maintain cyber cafes and to take or give franchises for the same for providing, selling or otherwise dealing with information through systems or application software or through internet and other such facilities.* 5. *To plan, design, develop, programme and implement systems for the use of all kinds of data processing equipment, systems for the collection, arrangements and analysis of information and the application of data processing techniques and equipment, to establish bureaus for providing computer services, to process data and develop systems of all kind by processing jobs and hiring out machine time and assist to setup, operate and supervise the operation of the data processing divisions of other companies or organisations in India or elsewhere.* 6. *To generate, harness, accumulate, distribute and supply electricity, by setting up power plants by use of liquids, gaseous or solid fuels for the purpose of light, heat, motive power and or all other purposes which electric energy can be employed. To carry or and generate power supply either by hydro, thermal, gas, air, diesel oil, oils, condense or impulsion /Coal or through renewable energy sources such as rice husk, saw dust, ground nut husk, castor, jute stem, straw and any other waste material, solar, photo voltaic, wind mill and or any other mean. To transmit, distribute, supply and sell such power either directly or through transmission and facilities of Central/State Governments or Private Companies or Electricity Boards or Industries and to Central/State Government, other consumers of electricity, including for captive consumption for any industrial project promoted by this company or promoter's company and generally to develop generate, accumulate power at any other place or places and transmit, distribute, sell and supply such power.* 7. *To acquire concession or licenses granted by or to enter into contracts with the Government of India, or any State Government, Municipal or local authority, Company or person in India or with any other countries for the construction and maintenance of any electric installation for the production, transmission or use of electric power for lighting, heating, signaling, telephonic, transaction, motive or any other purposes or for trade, industrial, manufacturing or any other purposes as may be mutually agree together with required movable and immovable facilities such as land, building, railway sidings, site or sites of State Governments/Electricity Board as per the terms and conditions conductive to the interest of the Company and to pay therefore in terms of shares of the Company or in any other manner mutually decided and with the object aforesaid to enter into and to execute such agreements, guarantee, deeds and documents as may be proper, necessary or expedient.* 8. *To Carry on the business of Electric power, light and supply company in all its branches and in particular to construct, layout, establish, fix, carry-out and run all necessary power stations, workshops, repair shops, sub stations, transmission lines, cables, wires accumulators and works and to generate, accumulate, distribute and supply electricity to industries or to State Electricity Board or to cities, towns, streets, docks, markets.*

Date of shareholder's resolution	Nature of amendments
	9. *To construct, lay down, establish, fix, erect, equip and maintain generators, machinery, electrical equipment and cables, wires, lines, accumulators, lamps, fittings and apparatus in the capacity of principals, contractors or otherwise and to manufacture, deal, buy, sell and hire all apparatus and things required for or used in connection with the generation, distribution, supply, accumulation of electricity including in the term electricity all power that may be directly or indirectly derived therefrom.*
	The existing Liability Clause of the Memorandum of Association was altered and replaced by the following new clause: "*The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.*"
January 3, 2013	*Increase in the authorized share capital of the Company from ₹ 4,00,00,000 divided into 40,00,000 equity shares of ₹ 10 each to ₹ 4,50,00,000 divided into 45,00,000 equity shares of ₹ 10 each*
March 16, 2009	*Increase in the authorized share capital of the Company from ₹ 3,50,00,000 divided into 35,00,000 equity shares of ₹ 10 each to ₹ 4,00,00,000 divided into 40,00,000 equity shares of ₹ 10 each*
February 2, 2008	*Increase in the authorized share capital of the Company from ₹ 95,00,000 divided into 9,50,000 equity shares of ₹ 10 each to ₹ 3,50,00,000 divided into 35,00,000 equity shares of ₹ 10 each*
February 10, 2006	*Increase in the authorized share capital of the Company from ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each to ₹ 95,00,000 divided into 9,50,000 equity shares of ₹ 10 each*

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company are as follows:

1. *"To carry on the business of providing various kinds of machinery items and equipment either manufactured or produced that are used in different kinds of industries including bulk drugs, chemical, pharmaceutical, processing, food and beverage and all other allied industries.*

2. *To carry on the business of manufacturing equipment, machinery items and foundry items that are used in non-conventional energy industries including machinery used in the production of energy from solid waste material.*

3. *To carry on the business of engineers, consultants and contractors in setting up all types of plants for production of pharmaceutical, medical industries, and also to undertake research and development programs in the field of electronics and other allied field and to construct, lay down, establish, fix, erect, and maintain generators, machinery, electrical equipment and cables, wires, lines, accumulators, lamps, fittings and apparatus in the capacity of principals, contractors or otherwise general fabrication and casting works."*

Total Number of Shareholders

As on date of this Red Herring Prospectus, the total number of shareholders of our Company is 34 (thirty four). For further details of our shareholding pattern, please see "*Capital Structure*" on page 54 of this Red Herring Prospectus.

Other Details regarding our Company

Details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, location of manufacturing facilities, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" on pages 87, 121 and 222 respectively, of this Red Herring Prospectus.

Injunction or Restraining Order

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

Details regarding acquisition of business / undertakings, mergers, amalgamation

Our Company has not made any business acquisition, merger and amalgamation since incorporation.

Raising of capital in the form of equity or debt

Other than as disclosed under the chapter titled "*Capital Structure*" on page 54 of this Red Herring Prospectus, our Company has not raised any capital in the form of equity. For details on the debt facilities of our Company, please refer the chapter titled "*Financial Indebtedness"* on page 234 of this Red Herring Prospectus.

Revaluation of assets

Our Company has neither revalued its assets since incorporation nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/ loss account of our Company including discontinuance of line of business, loss of markets and similar factors.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

There have been no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

Lock-out or Strikes

There have been no lock-outs or strikes in our Company since inception.

Holding Company

As on the date of this Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Red Herring Prospectus, our Company does not have any subsidiaries.

Guarantees provided by our Promoter

Except as mentioned in chapter titled *"Financial Indebtedness"* on page 234 of this Red Herring Prospectus, our Promoter has not given any guarantees to third parties in respect of our Company and the Equity Shares that are outstanding as of the date of filing of this Red Herring Prospectus.

Shareholders Agreements

As on the date of this Red Herring Prospectus, our Company has not entered into any shareholders' agreements.

Joint Venture and Other Agreements

As on the date of this Red Herring Prospectus, there is no existing joint venture or other material agreements entered into by our Company which is not in its ordinary course of business.

Material Agreements

Except as stated below, our Company has not entered into any material contract, not being a contract entered into

in the ordinary course of business carried on or intended to be carried on by us or contract entered into more than two years before the filing of this Red Herring Prospectus:

(i) Master Manufacturing and Supply Agreement dated August 22, 2017 entered between Tata Steel Limited ("Tata") and our Company

Our Company entered into this Master Manufacture And Supply Agreement to manufacture and supply steel doors of decorative, wood finished, RAL colour, to be used for independent house building and/or steel doors of decorative and wood finished, RAL colour for external door/ internal door / toilet door to be used in housing, residential and commercial sector and other related parts for Tata and under the brand name of Tata and /or as directed by Tata from time to time ("**Product**").

Key terms of the Agreement are set out below:

Term – the Agreement is valid for an initial term of 48 months from the date of signing, and may be extended for an additional period of 11 months. The Agreement may be renewed by executing a fresh agreement on mutually acceptable terms for 4 years.

Non-Exclusivity - Tata reserves the right to manufacture the Product for itself and or to purchase the Product and similar products from any other party, provided, in the event it is considering qualification of an additional manufacture in any other part of India, other than northern regions of India (J&K, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Uttar Pradesh, New Delhi, Rajasthan and Chandigarh), Tata shall notify in writing and our Company shall have the opportunity to make a first proposal for such qualification within 60 days of receipt of such request.

Orders and Minimum offtake – our Company shall provide the Products purchase orders issued from time to time and Tata has committed to order minimum quantity during the term of the agreement.

Price: the price shall be as set out in the Agreement, which shall be revised and mutually agreed to in writing every 3 months from the date of last product addendum.

Cost Improvement – our Company and Tata shall jointly endeavour to identify cost reduction opportunities with the objective to reduce the net price of the Product by a minimum percentage to be mutually agreed. Our Company shall pass on all cost improvements achieved during the term of the Agreement to Tata.

Manufacturing standards and quality assurance - the quality standards shall be in accordance with the quality specifications set out in the Agreement and the manufacture and supply of Products shall be strictly in accordance with the applicable laws, quality specifications, quality assurance, trademark usage and other requirements instructed by Tata.

Rejection of Product – Tata may reject any non-complying product by providing notice of rejection to our Company within 180 days following receipt of dispatch of Products, however, no time restriction shall be applicable for notice of rejection of any shipment where (i) defects are discovered by Tata's customers or the end-users of the Products or (ii) breach by our Company of any of the representation and warranties set out in the Agreement.

Intellectual Property – Tata is the sole owner of the Product and owns or has rights to all intellectual property relating to the Product, except for patents, technology and know-how owned or controlled as of the date by our Company. All materials, inventions, concepts, Product variations, improvements, know-how, trademarks, copyrights, information, data, writings and other property in any form, including the brand name "Pravesh" and other names , logos, graphics, marks, designs, patents and/or trademarks etc. that may require our Company to use, insert, impress, design etc. which is provided to our Company on behalf of Tata or used by us with respect to performance of obligations under the Agreement, and which is owned by Tata prior to being provided to Tata, and any improvements thereto, shall remain the property of Tata and Tata grants our Company a non-exclusive right to use such property solely for the purpose of giving effect to the Agreement. Additionally, any improvements or modifications to such property and any creative ideas, proprietary information, inventions etc. shall be the exclusive property of Tata.

Termination – (i) either party may terminate the Agreement immediately upon a written notice to the other party in the event of a material breach which remains uncured for 90 calendar days (ii) Tata may terminate the Agreement in the event of breach of anti-bribery / anti-corruption representation by our Company (iii) either party

may terminate the Agreement in the event the other party becomes insolvent (iv) Tata may terminate the Agreement in the event of any alteration in the charter of our Company and any direct/indirect change in ownership or control or corporate reorganization (v) Tata may terminate the Agreement by giving 6 months prior notice to our Company for any or no reason.

Exclusivity – during the term of the Agreement and for a period of 1 year after the expiry or termination of the Agreement, our Company shall not manufacture, supply or otherwise distribute, sell for a third party whether directly or indirectly in the territory (as defined in the Agreement), without the prior written consent of Tata, any Product identical or similar to the Product specified in the Agreement. However, post termination of the Agreement, our Company may manufacture, supply of distribute or sell any identical or similar product under our own brand name, provided such activity is not directly or indirectly conducted with any direct competitor of Tata.

(ii) Non – compete agreement dated June 13, 2018 entered into by our Company with Ahlada HVAC Systems Private Limited.

Our Company has entered into a non-compete agreement dated June 13, 2018 ("**Agreement**") with Ahlada HVAC Systems Private Limited ("**AHPL**"), since we both are engaged in the similar line of business. Pursuant to the said agreement, AHPL and our Company have agreed to exclusively manufacture the products specified in the Agreement, respectively. Further, the provision of non-compete may be waived by either Party by giving in writing, to forgo the requirement of non-compete or if any of the Parties does not intend to or is unable to service a particular order for a product which is under its ambit, it can give a written permission to the other Party to service the order of that product. As per the terms of the Agreement, AHPL shall not for a period of two (2) years after termination of the Agreement, undertake HVAC business in competition with our Company, in relation to its designated products and should refer to our Company promptly and exclusively any inquiries it may receive for such products. The Agreement shall be in force for a period of five (5) years.

(iii) Non – compete agreement dated June 13, 2018 entered into by our Company with Ahlada Clean Room Tech Private Limited.

Our Company has entered into a non-compete agreement dated June 13, 2018 ("**Agreement**") with Ahlada Clean Room Tech Private Limited ("**ACTPL**"), since we both are engaged in the similar line of business. Pursuant to the said agreement, ACTPL and our Company have agreed to exclusively manufacture the products specified in the Agreement, respectively. Further, the provision of non-compete may be waived by either Party by giving in writing, to forgo the requirement of non-compete or if any of the Parties does not intend to or is unable to service a particular order for a product which is under its ambit, it can give a written permission to the other Party to service the order of that product. As per the terms of the Agreement, ACTPL shall not for a period of two (2) years after termination of the Agreement, undertake business in competition with our Company, in relation to its designated products and should refer to our Company promptly and exclusively any inquiries it may receive for such products. The Agreement shall be in force for a period of five (5) years.

Strategic and Financial Partners

As on date of this Red Herring Prospectus our Company does not have any strategic and financial partners.

OUR MANAGEMENT

Our Board of Directors

Our Articles of Association require us to have not less than three (3) and not more than fifteen (15) Directors. As on date of this Red Herring Prospectus, we have ten (10) Directors on our Board, which includes three (3) Whole – time Directors, one (1) Managing Director and two (2) Non-executive Directors (including one woman Director) and four (4) Independent Directors.

Set forth below, are details regarding our Board as on the date of this Red Herring Prospectus:

Name, Designation, Occupation, DIN, Address, Term and Nationality	Age (years)	Other Directorship
Koduru Iswara Varaprasad Reddy **Designation:** Chairman and Non-Executive Director **Occupation:** Business **DIN:** 00196148 **Address:** 1-9-375/GWW/16, 17, Green Walk Ways, Rajendranagar, Rangareddy- 500 030, Andhra Pradesh, India **Term:** Not liable to retire by rotation **Nationality:** Indian	70	1. Shanta Biotechnics Private Limited 2. Mericlone Bioluk Private limited 3. SVAS Investments Private Limited 4. Sparsha Pharma Internatinal Private Limited 5. Diabetomics Medical Private Limited 6. Varam Medtech Foundation
Chedepudi Suresh Mohan Reddy **Designation:** Managing Director **Occupation:** Business **DIN:** 00090543 **Address:** 2-22-46/4, Flat No. 204, Eenadu Colony Vivekananda Nagar Colony, Kukat Pally, Hyderabad- 500 072, Andhra Pradesh, India **Term:** For a period of five years with effect from April 10, 2017 **Nationality**: Indian	50	1. Blue Fence Systems Private Limited 2. Vykuntapuram Eco Resorts Private Limited 3. Ahlada Marketing Private Limited 4. Vykuntapuram Club and Resorts Private Limited 5. Akarsh Marketing Private Limited 6. Ahlada HVAC Systems Private Limited
Kurre Raja Sekhar Reddy **Designation:** Whole-time Director **Occupation:** Business **DIN:** 00090733 **Address:** Plot No, 5-150, Janapriya West City, Miyapur, Hyderabad- 500 049, Andhra Pradesh, India **Term:** For a period of five years with effect from April 10, 2017 **Nationality:** Indian	49	1. Ahlada Clean Room Tech Private Limited
Kuchuru Vinod Kumar Reddy **Designation:** Whole-time Director	38	1. Vibrant Technologies Private Limited 2. Ahlada Clean Room Tech Private Limited

Name, Designation, Occupation, DIN, Address, Term and Nationality	Age (years)	Other Directorship
Occupation: Business **DIN:** 01696085 **Address:** Plot No. 1-2-3, F-105, Devi Homes Syno 13, Kompally, Besaid Runway-9, Qutubullapur, Secundarabad, Hyderabad – 500 014, Andhra Pradesh, India **Term:** For a period of five years with effect from April 10, 2017 **Nationality:** Indian		
Konda Bala Gangadhara Reddy **Designation:** Whole-time Director **Occupation:** Business **DIN:** 02661099 **Address:** Plot No, 171, Flat No. 401, Chandra Vihar, Eenaradu Colony, Kukatapally, Hyderabad- 500 072, Andhra Pradesh, India **Term:** For a period of five years with effect from April 10, 2017 **Nationality:** Indian	52	1. Ahlada Clean Room Tech Private Limited
Ravindra Vikram Mamidipudi **Designation:** Independent Director **Occupation:** Chartered Accountant **DIN:** 00008241 **Address:** House No. 16, Cardmaster Road, Arihant Enclave, 205 Akbar Road, Tirumalagiri, Manovikasnaga, Hyderabad- 500 009, Andhra Pradesh, India **Term:** For a period of five years with effect from May 9, 2018 **Nationality:** Indian	62	1. Life Skills and Livelihood Skills International 2. Little Eye Software Labs Private Limited 3. Facebook India Online Services Private Limited 4. Evertogen Life Sciences Limited 5. Aryakube Capital Private Limited 6. ANA Arc Private Limited 7. Octantis Services Private Limited 8. Institute of Insurance and Risk Management 9. Chettinad Cement Corporation Private Limited 10. The Bank of Rajasthan Limited 11. M. Anandam Consultancy Services Private Limited 12. Normak Fashions Private Limited 13. GTN Industries Limited 14. ASM Technologies Limited 15. Triumphant Institute of Management Education Private Limited 16. GTN Engineering (India) Limited 17. Venture Finance & Development Corporation Limited 18. Glochem Industries Private Limited
Sravanthi Koduru **Designation:** Non-Executive Director **Occupation:** Business	40	1. Keimed Private Limited 2. Coldstar Logistics Private limited 3. Shubhra Biotech Private Limited

Name, Designation, Occupation, DIN, Address, Term and Nationality	Age (years)	Other Directorship
DIN: 01593189 **Address:** Plot No. 822 A, Road No. 40, Jubilee Hills, Hyderabad- 500 034, Telangana, India **Term:** Not liable to retire by rotation **Nationality:** Indian		
Bhaskara Reddy Nallapureddy **Designation:** Independent Director **Occupation:** Business **DIN:** 08084679 **Address:** Flat No.108, Prithvi Homes, A Block, Spring Field Colony, Jeedimetta village, Qutubullapur, Rangareddy, Hyderabad – 500 055, Andhra Pradesh, India **Term:** For a period of 5 years with effect from April 12, 2018 **Nationality:** Indian	49	1. Harvil Industries Private limited
Bulusu Kameswara Sarma **Designation:** Independent Director **Occupation:** Business **DIN:** 00441074 **Address:** 6-3-533 to 535/11, Dwarakapuri Colony, Panjagutta, Hyderabad- 500 082, Telangana, India **Term:** For a period of 5 years with effect from April 12, 2018 **Nationality:** Indian	61	1. Foray Universal Consultancy Services Private Limited 2. Hue Designers Private Limited
Krishna G.V. Giri **Designation:** Independent Director **Occupation:** Business **DIN:** 00441074 **Address:** Plot 4/21, Amara Samudra, MGR Road, Palavakkam, Kancheepuram - 600 041, Tamil Nadu, India **Term:** For a period of five years from April 20, 2018 **Nationality:** Indian	51	1. Med Mojo Technologies Private Limited

Brief Biographies of our Directors

Koduru Iswara Varapasad Reddy, aged 70 years, is the Chairman and Non-Executive Director of our Company. He holds a bachelor's degree in science from Sri Venkateswara University, a master's degree in business from

Osmania University and a degree in engineering (electronics and communication) from Andhra University. He also holds a post graduate diploma in computer sciences from Biblingen University, West Germany. In the past he has served as a research scientist for Defence Electronics Research Laboratories, Hyderabad and also worked with Andhra Pradesh Industrial Development Corporation. He is the founder of Shanta Biotech Limited in the year 1993, with the sole purpose of developing efficacious and cost effective vaccines. He is a recipient of many awards including the Padma Bhushan from the Government of India in the year 2005. He is experienced in the pharmaceutical sector. He has been associated with our Company in the capacity of a director since August 23, 2013.

Chedepudi Suresh Mohan Reddy, aged 50 years, is the Managing Director of our Company. He holds a bachelor's degree in engineering (mechanical) from University of Mysore. In the past he has worked with M/s Nova Pan India Limited as a trainee engineer and with SAB NIFE Power Systems Limited. He is experienced in cost control, production and finance. He is responsible for the overall in-charge of our Company and controls and oversees the manufacturing, and related line functions of the Company. He has been instrumental in signing up with Tata Steel Limited for supply of doors and has been associated with our Company in the capacity of a director since its incorporation in 2005.

Kurre Raja Sekhar Reddy, aged 49 years, is a Whole-time Director of our Company. He holds bachelor's degree in engineering (mechanical) from University of Mysore. He is experienced in various aspects of production, design and research and development and is currently the overall incharge of designing and technical aspects of production in the Company. He has been associated with our Company in the capacity of a director since its incorporation in 2005.

Kuchuru Vinod Kumar Reddy, aged 38 years, is a Whole-time Director of our Company. He holds a diploma in engineering (electrical) from Government Polytechnic College, Mahaboob Nagar. In the past, he has served as a manager (project and sales) in M/s Shree Power Control Systems. He is experienced in the areas of Business Development, Sales and customer support and is the incharge of sales and customer support of the Company. He has been associated with our Company in the capacity of a director since October 22, 2009.

Konda Bala Gangadhara Reddy, aged 52 years, is a Whole-time Director of our Company. He holds a bachelor's degree in commerce from Acharya Nagarjuna University. In the past, he has served as the materials manager in M/s Dr. Reddy's Holdings Private Limited. He is experienced in material management and is currently responsible for the sales and customer relationship management with Tata Steel Limited. He has been associated with our Company in the capacity of a director since October 22, 2009.

Ravindra Vikram Mamidipudi, aged 62 years, is an Independent Director of our Company. He holds a bachelor's degree in science from Osmania University and is also a fellow member of the Institute of Chartered Accountants of India. He is associated with M. Anandam & Co., Chartered Accountant in the capacity of a partner. He is also serving as a director in many companies including Facebook India Online Services private Limited and is experienced in the fields of audit, banking, finance and regulatory services. He has been associated with our Company in the capacity of a director since August 23, 2013.

Sravanthi Koduru, aged 40 years, is a Non- Executive Director of our Company. She holds a bachelor's degree in commerce from Osmania University and has also completed the post-graduation programme in management from the Indian School of Business. She has also completed the business foundation certificate program from the University of Texas. She is currently serving in Shubra Biotech Private Limited and Coldstar Logistics Private Limited in the capacity of the director. She has been associated with our Company in the capacity of a director since April 12, 2018.

Bhaskara Reddy Nallapureddy, aged 49 years, is an Independent Director of our Company. He holds a degree in engineering (mechanical) from Mysore University. He is a proprietor of M/s Radiant Engineers and has experience in manufacturing pharmaceutical machineries and equipment. He has been associated with our Company in the capacity of a director since April 12, 2018.

Bulusu Kameswara Sarma, aged 61 years, is an Independent Director of our Company. He holds a bachelor's degree in commerce from Nagarjuna University, Guntur, and a master's degree in business administration from Osmania University. He is also an associate member of Indian Institute of Bankers (CAIIB). In the past, he has served in Canara Bank in the capacity of a probationary officer, in Canbank Financial Services Ltd (subsidiary of Canara Bank) as a senior project executive. He has been associated with our Company in the capacity of a director since April 12, 2018.

Krishna G.V. Giri, aged 51 years, is an Independent Director of our Company. He holds a master's degree in arts from the Fletcher School of Law and Diplomacy – Tufts University and a post graduate diploma in computer applications from Computer Training and Data Processing Centre. He has also been conferred with the doctorate - 'D.Litt.' (doctor of letters) by M G R University. He is experienced in strategy management consulting and technology services and has been associated with our Company in the capacity of a director since April 20, 2018.

Relationship between our Directors

Except as states below none of our Directors are related to each other.

Name of the Director	Nature of Relationship
Koduru Iswara Varapasad Reddy	Father of Sravanthi Koduru
Sravanthi Koduru	Daughter of Koduru Iswara Varapasad Reddy

Confirmations

None of our Directors is or was a director of any listed companies during the five years immediately preceding the date of filing of this Red Herring Prospectus and until date, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such companies.

None of our Directors is or was a director on any listed companies which have been or were delisted from any stock exchange during the term of their directorship in such companies.

None of the Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an EGM held on February 15, 2018, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, any sum or sums of money on such terms and conditions and with or without security as the board of directors may think fit which, together with the moneys already borrowed (apart from temporary loans obtained in the ordinary course of business), in excess to the aggregate of the paid – up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the board up to a limit of ₹ 50,000.00 Lakhs.

Terms of appointment and remuneration of the Executive Directors

Terms of Appointment of Chedepudi Suresh Mohan Reddy

Pursuant to a resolution passed by the Board of Directors at the meeting held on April 8, 2017 and by the shareholders of our Company at the EGM held on May 8, 207, Chedepudi Suresh Mohan Reddy was re-appointed as the Managing Director of our Company for a period of five years with effect from April 10, 2017 along with the terms of remuneration.

Pursuant to resolution dated April 8, 2017 passed by the Board of Directors, Chedepudi Suresh Mohan Reddy is entitled to a remuneration of ₹ 42 lacs per annum, the remuneration includes basic, house rent allowance, children allowance, medical allowance, conveyance and washing allowance. All expenses i.e. fuel, vehicle maintenance, travelling, boarding and lodging; incurred for and behalf of the Company will be reimbursed to the director. The retirement benefits include the gratuity payable as per the applicable provisions of the Payment of Gratuity Act, 1972.

Terms of Appointment of Kurre Raja Sekhar Reddy

Pursuant to a resolution passed by the Board of Directors at the meeting held on April 8, 2017 and by the shareholders of our Company at the EGM held on May 8, 2017, Kurre Raja Sekhar Reddy was appointed as a Whole – time Director of our Company for a period of five years with effect from April 10, 2017 along with the terms of remuneration.

Pursuant to resolution dated April 8, 2017 passed by the Board of Directors, Kurre Raja Sekhar Reddy is entitled to a remuneration of ₹ 42 lacs per annum, the remuneration includes basic, house rent allowance, children allowance, medical allowance, conveyance and washing allowance. All expenses i.e. fuel, vehicle maintenance, travelling, boarding and lodging; incurred for and behalf of the Company will be reimbursed to the director. The retirement benefits include the gratuity payable as per the applicable provisions of the Payment of Gratuity Act, 1972.

Terms of Appointment of Kuchuru Vinod Kumar Reddy

Pursuant to a resolution passed by the Board of Directors at the meeting held on April 8, 2017 and by the shareholders of our Company at the EGM held on May 8, 2017, Kuchuru Vinod Kumar Reddy was appointed as a Whole – time Director of our Company for a period of five years with effect from April 10, 2017 along with the terms of remuneration.

Pursuant to resolution dated April 8, 2017 passed by the Board of Directors, Kuchuru Vinod Kumar Reddy is entitled to a remuneration of ₹ 42 lacs per annum, the remuneration includes basic, house rent allowance, children allowance, medical allowance, conveyance and washing allowance. All expenses i.e. fuel, vehicle maintenance, travelling, boarding and lodging; incurred for and behalf of the Company will be reimbursed to the director. The retirement benefits include the gratuity payable as per the applicable provisions of the Payment of Gratuity Act, 1972.

Terms of Appointment of Konda Bala Gangadhara Reddy

Pursuant to a resolution passed by the Board of Directors at the meeting held on April 8, 2017 and by the shareholders of our Company at the EGM held on May 8, 2017, Konda Bala Gangadhara Reddy was appointed as a Whole – time Director of our Company for a period of five years with effect from April 10, 2017 along with the terms of remuneration.

Pursuant to resolution dated April 8, 2017 passed by the Board of Directors, Konda Bala Gangadhara Reddy is entitled to a remuneration of ₹ 42 lacs per annum, the remuneration includes basic, house rent allowance, children allowance, medical allowance, conveyance and washing allowance. All expenses i.e. fuel, vehicle maintenance, travelling, boarding and lodging; incurred for and behalf of the Company will be reimbursed to the director. The retirement benefits include the gratuity payable as per the applicable provisions of the Payment of Gratuity Act, 1972.

Remuneration details of our Directors

(i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the executive Directors in Fiscal 2018 is as follows:

S. No.	Name of the Director	Remuneration (₹ in lacs)
1.	Chedepudi Suresh Mohan Reddy	42.00
2.	Kurre Raja Sekhar Reddy	42.00
3.	Kuchuru Vinod Kumar Reddy	42.00
4.	Konda Bala Gangadhara Reddy	42.00

(ii) Remuneration details of our Non- Executive Directors and Independent Directors

Pursuant to a resolution dated May 9, 2018 of our Board of Directors, our Non- Executive, Independent Directors are not entitled to a sitting fees for attending each meeting of our Board and each meeting of the committee of the our Board.

Payment or benefit to Directors of our Company

Except as disclosed in this Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company.

Service Contracts entered into with the Directors

Our Company has not entered into any service contracts, pursuant to which, the Directors are entitled to benefits upon termination of employment.

Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as of the date of this Red Herring Prospectus.

Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock exchange.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our 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.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

a) Audit Committee;
b) Stakeholders' Relationship Committee;
c) Nomination and Remuneration Committee;
d) Corporate and Social Responsibility Committee; and
e) IPO Committee.

Details of each of these committees are as follows:

a. Audit Committee

Our Audit Committee was constituted pursuant to resolution of our Board dated May 9, 2018. The Audit Committee comprises of the following:

Sr. No.	Name of Member	Designation
1.	Ravindra Vikram Mamidipudi	Chairman
2.	Bulusu Kameswara Sarma	Member
3.	Chedepudi Suresh Mohan Reddy	Member
4.	Bhaskara Reddy Nallapureddy	Member

The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

A. Powers of Audit Committee

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;

- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

B. Role of the Audit Committee

The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

    a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by management;
    d. significant adjustments made in the financial statements arising out of audit findings;
    e. compliance with listing and other legal requirements relating to financial statements;
    f. disclosure of any related party transactions;
    g. modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors 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.

Further, 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. 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) of the SEBI Listing Regulations.

    b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days 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 directors present.

b. Stakeholders' Relationship Committee

Our Stakeholders' Relationship Committee was constituted pursuant to resolution of our Board dated May 9, 2018. The Stakeholders' Relationship Committee comprises of the following:

Sr. No.	Name of Member	Designation
1.	Bulusu Kameswara Sarma	Chairman
2.	Chedepudi Suresh Mohan Reddsy	Member
3.	Ravindra Vikram Mamidipudi	Member

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

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and approved by our Board pursuant to its resolution dated April 30, 2017. The terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

- To look into the redressal of grievances of shareholders, debenture holders and other security holders;

- To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and

- To carry out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

c. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted pursuant to resolution of our Board dated May 9, 2018. The Nomination and Remuneration Committee comprises of the following:

Sr. No.	Name of Member	Designation
1.	Bulusu Kameswara Sarma	Chairman
2.	Ravindra Vikram Mamidipudi	Member
3.	Bhaskara Reddy Nallapureddy	Member

The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and approved by our Board pursuant to its resolution dated April 30, 2017. Set forth below are the terms of reference, powers and role of our Nomination and Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees;

2. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. Devising a policy on diversity of board of directors;

5. 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;
6. 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 quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

d. Corporate Social Responsibility Committee

Our Corporate Social Responsibility and Sustainability Committee was constituted on May 9, 2018 and the members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Ravindra Vikram Mamidipudi	Chairman
2.	Bulusu Kameswara Sarma	Member
3.	Chedepudi Suresh Mohan Reddy	Member

The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

e. IPO Committee

The IPO Committee was constituted pursuant to resolution of our Board dated May 9, 2018 passed by the Directors of our Company. The members of the said Committee are as follows

Sr. No.	Name of Member	Designation
1.	Chedepudi Suresh Mohan Reddy	Chairman
2.	Bulusu Kameswara Sarma	Member
3.	Kuchuru Vinod Kumar Reddy	Member

The Company Secretary shall act as the secretary of the IPO Committee.

The terms of reference of the IPO Committee include the following:

1. Approving amendments to the memorandum of association and the articles of association of the Company;

2. Approving all actions required to dematerialize the Equity Shares, including seeking the admission of the Equity Shares into the Central Depository Services (India) Limited (the "**CDSL**") and the National Securities Depository Limited (the "**NSDL**");

3. Finalizing and arranging for the submission of the DRHP, the RHP, the Prospectus and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, to appropriate government and regulatory authorities, institutions or bodies;

4. Approving a code of conduct as may be considered necessary by the Board or the IPO Committee or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;

5. Issuing advertisements as it may deem fit and proper in accordance with Applicable Laws;

6. Approving suitable policies, including on insider trading, whistle blower/vigil mechanism, risk management and other corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws in connection with the Offering;

7. Deciding on the size and all other terms and conditions of the Offering and/or the number of Equity Shares to be offered in the Offering, including any Pre-IPO Placement, Reservation, Green Shoe Option and any rounding off in the event of any oversubscription as permitted under Applicable Laws;

8. Taking all actions as may be necessary or authorized in connection with the Offering;

9. Appointing and instructing book running lead managers, lead managers, syndicate members, placement agents, bankers to the Offering, the registrar to the Offering, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies and all such persons or agencies as may be involved in or concerned with the Offering and whose appointment is required in relation to the Offering, including any successors or replacements thereof;

10. Opening bank accounts, share/securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with Applicable Laws;

11. Entering into agreements with, and remunerating all such book running lead managers, lead managers, syndicate members, placement agents, bankers to the Offering, the registrar to the Offering, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Offering, including any successors or replacements thereof, by way of commission, brokerage, fees or the like;

12. Seeking the listing of the Equity Shares on the Stock Exchange, submitting listing application to the Stock Exchange and taking all such actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreement with the Stock Exchange;

13. Seeking, if required, the consent of the Company's lenders and lenders of its subsidiaries, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offering;

14. Submitting undertaking/certificates or providing clarifications to the SEBI and the Stock Exchange;

15. Determining the price at which the Equity Shares are offered to investors in the Offering in accordance with Applicable Laws, in consultation with the book running lead managers and/or any other advisors, and determining the discount, if any, proposed to be offered to eligible categories of investors;

16. Determining the price band and minimum lot size for the purpose of bidding, any revision to the price band and the final Offering price after bid closure;

17. Determining the bid opening and closing dates;

18. Finalizing the basis of allocation of Equity Shares to retail investors/non-institutional investors/qualified institutional buyers and any other investor in consultation with the book running lead managers, the Stock Exchange and/or any other entity;

19. Opening with the bankers to the Offering, escrow collection banks and other entities such accounts as are required under Applicable Laws;

20. To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;

21. Severally authorizing the Authorized Officer, for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer considers necessary, desirable or expedient, in connection with the Offering, including, without limitation, engagement letters, memoranda of understanding, the listing agreement with the stock exchange, the registrar's agreement, the depositories' agreements, the offer agreement with the book running lead manager (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the cash escrow agreement, the share escrow agreement, confirmation of allocation notes, the advertisement agency agreement and any undertakings and declarations, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offering, the book running lead manager, lead manager, syndicate members, placement agents, bankers to the Offering, registrar to the Offering, bankers of the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offering including any successors or replacements thereof; and any such agreements or documents so executed and delivered and acts, deeds, matters and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

22. Severally authorizing the Authorized Officers to take any and all action in connection with making applications, seeking clarifications and obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Offering, including, without limitation, applications to, and clarifications or approvals from the GoI, the RBI, the SEBI, the RoC, and the Stock Exchange and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the Authorized Officer and the Company, as the case may be;

23. Severally authorizing the Authorized Officers, for and on behalf of the Company, to execute and deliver any and all documents, papers or instruments and to do or cause to be done any and all acts, deeds, matters or things as any such Authorized Officer may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offering; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer shall be conclusive evidence of the authority of such Authorized Officer and the Company in so doing and any such document so executed and delivered or acts, deeds, matters and things done or caused to be done by any such Authorized Officer prior to the date hereof are hereby ratified, confirmed and approved as the act and deed of the Authorized Officer and the Company, as the case may be; and

24. Executing and delivering any and all documents, papers or instruments and doing or causing to be done any and all acts, deeds, matters or things as the IPO Committee may deem necessary, desirable or expedient in order to carry out the purposes and intent of the foregoing resolutions or the Offering; and any documents so executed and delivered or acts, deeds, matters and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing."

Shareholding of Directors in our Company

Except as stated below, none of our other Directors hold any Equity Shares of our Company as on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of the Directors / Key Managerial Personnel	Number of Equity Shares	% of pre issue Equity Share capital
1.	Chedepudi Suresh Mohan Reddy	65,07,096	68.38
2.	Koduru Iswara Varaprasad Reddy	4,47,824	4.71
3.	Kurchuru Vinod Kumar Reddy	80,000	0.84
4.	Sravanthi Koduru	16,000	0.63
5.	Kurre Rajasekhar Reddy	10,000	0.11

Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see "*Terms of appointment and remuneration of our Executive Directors*" above. Further, one of our Independent Directors, Ravindra Vikram Mamidipudi also has an additional interest in our Company other than the than reimbursement of expenses incurred or normal remuneration or benefits to the extent that his wife, M. Annapurna, is providing consultancy services to our Company, pursuant to which, our Company is paying her professional charges aggregating to ₹ 1.00 lacs monthly.

Our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading "*Shareholding of Directors in our Company*". All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoter, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoter, directors, partners, proprietors, members or trustees, pursuant to this Issue.

Some of our Directors have extended personal guarantees towards the loans availed by our Company, for further details please refer to the chapter titled *"Financial Indebtedness"* on page 234 of this Red Herring Prospectus. Except as stated in the chapter titled "*Related Party Transactions*" on page 149 of this Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

Interest as to property

Except as mentioned in chapter titled *"Financial Indebtedness"* on page 234 of this Red Herring Prospectus, our Directors have no interest in any property acquired by our Company during the last two years from the date of filing of this Red Herring Prospectus or any property proposed to be purchased by our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

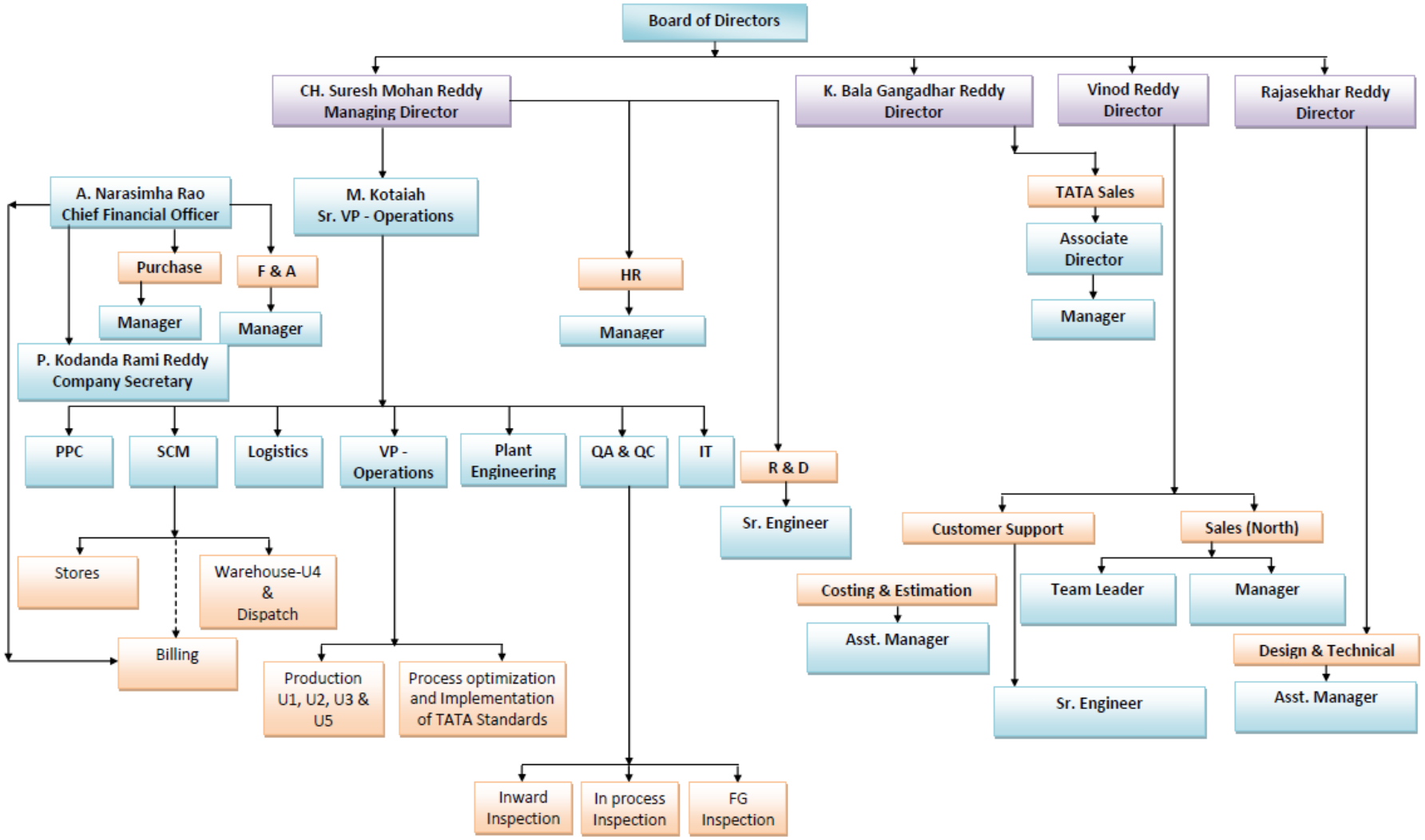
Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years.

Name of Director	Date of Appointment	Date of Cessation	Reason
Krishna G.V. Giri	April 20, 2018	-	Appointed as an Additional Director
Sravanthi Koduru	April 12, 2018	-	Appointed as an Additional Director
Bhaskara Reddy Nallapureddy	April 12, 2018	-	Appointed as an Additional Director
Kameswara Sarma Bulusu	April 12, 2018	-	Appointed as an Additional Director

Management Organization Structure

Set forth is the organization structure of our Company:


Board of Directors
CH. Suresh Mohan Reddy
Managing Director
K. Bala Gangadhar Reddy
Director
Vinod Reddy
Director
Rajasekhar Reddy
Director
A. Narasimha Rao
Chief Financial Officer
M. Kotaiah
Sr. VP - Operations
HR
Manager
TATA Sales
Associate
Director
Manager
Purchase
Manager
F & A
Manager
P. Kodanda Rami Reddy
Company Secretary
PPC
SCM
Logistics
VP -
Operations
Plant
Engineering
QA & QC
IT
R & D
Sr. Engineer
Customer Support
Sales (North)
Team Leader
Manager
Costing & Estimation
Asst. Manager
Sr. Engineer
Design & Technical
Asst. Manager
Stores
Warehouse-U4
&
Dispatch
Billing
Production
U1, U2, U3 &
U5
Process optimization
and Implementation
of TATA Standards
Inward
Inspection
In process
Inspection
FG
Inspection

Our Key Managerial Personnel

In addition to our Whole – time Directors and Managing Director, whose details have been provided under paragraph above titled *'Brief Profile of our Directors'*, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Red Herring Prospectus:

Areti Narsimha Rao, aged 46 years, is the Chief Financial Officer of our Company. He holds bachelor's degree in commerce from Nagarjuna University. He is an associate member of the Institute of Cost and Works Accountants of India. In the past, he has served in Lee Pharma Limited as a general manager (finance and accounts), in Matrix Laboratories Limited and Mylan Pharmaceuticals Private Limited as an assistant General manager (finance and accounts) and as the accounts officer in Sivashankar Granites Private Limited and Rautec Ceramics Private Limited. He is experienced in the manufacturing industry and is the head of finance and accounts in our Company. He has been associated with our Company in the capacity of a Chief Financial Officer since January 18, 2018. He has received ₹ 7.03 Lakhs as remuneration in Fiscal 2018.

Maddiboyina Kotaiah, aged 49 years, is the Senior Vice President (Operations) of our Company. He holds a bachelor's degree in engineering (mechanical) from Institute of Technical Education and Research and a master's degree in engineering (mechanical) from the Karnataka State Open University. In the past, he has served in Karnataka German Technical Training Institute as a director, in Anu Extrusions Private Limited and Central Tool Room and Training Centre as a production manager, in VIP Industries Limited as a Senior Manager (Tool Room) and in Vasantha Tool Crafts Private Limited as a plant head. He is experienced in areas of machine shop, assembly shop and optimizing resources and has been associated with our Company in the capacity of a Senior Vice President (Operations) since August 06, 2018. Since, he has joined our Company in August, 2018 he has not received any remuneration in Fiscal 2018.

Palugulla Rajeswara Reddy, aged 51 years, is the Vice President (Operations) of our Company. He holds a master's degree in technology from Indian Institute of Technology. He has received certificates of training in quality management system, environment management system and occupational health and safety management from Det Norske Veritas. He has also received a benchmark six sigma award for lean management certification. In the past he has served as a general manager (business) in Pennar Industries Limited. He is expereienced in manufacturing operations and services and has been associated with our Company in the capacity of a Vice President since April 11, 2018. Since, he has joined our Company in April, 2018 he has not received any remuneration in Fiscal 2018.

Pusuluru Kodanda Rami Reddy, aged 38 years, is the Company Secretary and Compliance Officer of our Company. He holds degree in law from Osmania University and is also an associate member of the Institute of Company Secretaries of India. In the past he has served as a company secretary in Sujana Universal Industries Limited. He is experienced in secretarial and related matters and has been associated with our Company as a Company Secretary since May 02, 2018. He is currently responsible for handling secretarial matters in our Company. Since, he has joined our Company in May 2018 he has not received remuneration in the Fiscal 2018.

All our Key Managerial Personnel are permanent employees of our Company.

Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel

Except as disclosed under the heading *"Relationship between our Directors"* and herein below, none of the key managerial personnel are related to each other or to our Promoter or to any of our Directors.

Shareholding of the Key Managerial Personnel

In addition to the shareholding of our Executive Directors disclosed under the head *"Shareholding of Directors of our Company"*, our Key Managerial Personnel do not hold equity shares of our Company as on date of this Red Herring Prospectus.

Bonus or Profit Sharing Plan for our Key Managerial Personnel

None of our Key Managerial Personnel are a party to any bonus or profit sharing plan.

Interest of Key Managerial Personnel

None of our Key Managerial Personnel's have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to our Company as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Changes in Key Managerial Personnel in the Last Three Years

Set forth below, are the changes in our Key Managerial Personnel in the last three years immediately preceding the date of filing of this Red Herring Prospectus:

Name	Designation	Date of change	Reason
Maddiboyina Kotaiah	Senior Vice President (Operations)	August 06, 2018	Appointment
Pusuluru Kodanda Rami Reddy	Company Secretary and Compliance Officer	May 02, 2018	Appointment
Palugulla Rajeswara Reddy	Vice President (Operations)	April 11, 2018	Appointment
Areti Narsimha Rao	Chief Financial Officer	January 18, 2018	Appointment

Employees' Stock Option Plan

As on date of this Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

Payment or Benefit to officers of our Company

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made regularly by our Company towards provident fund, gratuity fund and employee state insurance.

Loans taken by Directors / Key Management Personnel

Our Company has not granted any loans to the Directors and/or Key Management Personnel as on the date of this Red Herring Prospectus.

Arrangements and Understanding with Major Shareholders

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

OUR PROMOTER AND PROMOTER GROUP

A. OUR PROMOTER

Chedepudi Suresh Mohan Reddy is the Promoter of our Company. He currently holds 65,07,096 Equity Shares, constituting 68.38% of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter's shareholding in our Company, please refer the chapter titled *"Capital Structure – Notes to Capital Structure"* on page 55.

Details of our Promoter

CHEDEPUDI SURESH MOHAN REDDY

Chedepudi Suresh Mohan Reddy, aged 50 years, is the Promoter and Managing Director of our Company. For details of his educational qualifications, experience, other directorships and special achievements, see the chapter *"Our Management"* on page 121 of this Red Herring Prospectus.

Passport number: Z3979376

Driving license number: DLFAP02866652003

Voter identification number.: FYY4290169

Address: 2-22-46/4, Flat No. 204, Eenadu Colony, Vivekananda Nagar Colony, Kukat Pally, Hyderabad- 500 072, Andhra Pradesh, India

For other venture of Chedepudi Suresh Mohan Reddy, please refer the chapter titled *"Our Group Entities"* on page 141.

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter shall be submitted to the Stock exchange at the time of filing this Red Herring Prospectus.

Our Promoter is the original promoter of our Company and the control of our Company has not been acquired within five years immediately preceding this Red Herring Prospectus.

Interest of our Promoter

Interest in promotion of our Company

Our Promoter is interested in our Company to the extent of the shareholding in our Company and any dividend or other distribution payable, if any, by our Company and any other distributions in respect of the Equity Shares held by him. For further details of our Promoter's shareholding, please see chapter titled "*Capital Structure"* on page 54 of this Red Herring Prospectus. Additionally, Chedepudi Suresh Mohan Reddy is also interested in our Company as our Managing Director and any remuneration payable to him in such capacity. For further details, please see chapter titled *'Our Management'* on page 121 of this Red Herring Prospectus.

Interest in the properties of our Company

Our Promoter does not have any interest in any property acquired by our Company within two years preceding the date of this Red Herring Prospectus or proposed to be acquired by our Company as on the date of filing of this Red Herring Prospectus or in any transaction for acquisition of land, construction of buildings and supply of machinery etc.

Other Interest and Disclosures

Chedepudi Suresh Mohan Reddy is a director on the board and a partner of our Group Entities and is also interested to the extent of his shareholding and profits in the Group Entities and may be deemed to be interested to the extent of the payments made to him by such Group Entities, if any. Our Promoter is not interested in any transaction in

acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements. For details, please see chapters titled *"Our Management" and "Our Group Entities"* on pages 121 and 141 respectively of this Red Herring Prospectus.

Our Promoter has provided his personal property as security for the Working Capital, Fund Based and Non Fund Based Term loan facility availed by our Company from State Bank of India for expansion cum mordenisation of manufacturing operations, import of machinery or capital goods and purchase of raw materials. The details of the property are; flat no. 204 admeasuring 1550 sft. Situated at S. No. 117, 125, 126 and 127 H. No. 2-22-41, 2-22-46/4, Plot No. 160A/ 163A Samhita Nilayam, Eenadu Society, Kukatpally, Hyderaabd- 500 033 (owned by Chedepudi Suresh Mohan Reddy). Except as disclosed in this Red Herring Prospectus, our Promoter does not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of the Red Herring Prospectus. Further, no property is acquired by our Company from our Promoter in the last two Fiscals, as on the date of this Red Herring Prospectus. For details, please see chapters titled *"Financial Indebtedness"* on page 234 of this Red Herring Prospectus.

Payment of benefits to our Promoter and Promoter Group during the last two years

Other than the benefits mentioned in the related party transactions as per AS-18 there has been no payment of any amount of benefits to our Promoter or the members of our Promoter Group during the last two years from the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter group as on the date of this Red Herring Prospectus. For further details, please refer to the chapter titled "*Related Party Transactions*" on page 149 of this Red Herring Prospectus.

Litigations involving our Promoter

Our Promoter is not involved in any litigation. For details of other legal and regulatory proceedings, see *"Outstanding Litigation and Material Development"* in page 243.

Guarantees

Except as mentioned in chapter titled *"Financial Indebtedness"* on page 234 of this Red Herring Prospectus, our Promoter has not given any guarantees to third parties in respect of our Company and the Equity Shares that are outstanding as of the date of filing of this Red Herring Prospectus.

Change in Management and control of our Company

There has been no change in management and control of our Company.

Details of Companies / Firms from which our Promoter has disassociated in the last three years

Our Promoter has not disassociated himself from any company/firm during the three years preceding this Red Herring Prospectus.

Related Party Transactions

Our Promoter is director on the board and a partner of our Group Entities and is also interested to the extent of his shareholding and profits in the Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group Entities. For details of related party transactions entered into by our Company, chapter titled "*Related Party Transactions*" on page 149 of this Red Herring Prospectus.

Also, except as disclosed in the chapter titled *"Related Party Transactions"* on page 149 of this Red Herring Prospectus, our Promoter is not related to any of the sundry debtors of our Company.

Relationship of our Promoter with our Directors

As of date of this Red Herring Prospectus, our Promoter is not related to any of our Company's Directors within the meaning of Section 2(77) of the Companies Act, 2013.

Confirmations

Our Company has not made any payments in cash or otherwise to our Promoter or to the firms or companies in which our Promoter is interested as member, partner, director or promoter nor has our Promoter has been offered any inducements to become director or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company.

Our Promoter is not interested in any entity which holds any intellectual property rights that are used by our Company.

B. OUR PROMOTER GROUP

In addition to our Promoter, the following individuals, companies, partnerships and HUFs form part of our Promoter Group in terms of SEBI ICDR Regulation 2(1) (zb) of the SEBI (ICDR) Regulations:

Individuals forming part of the Promoter Group:

Sr. No.	Name of the member of Promoter Group	Relationship with the Promoter
1.	Late Chedepudi Sambi Reddy	Father
2.	Chedepudi Sivaleela	Mother
3.	Late Chedepudi Sridevi	Spouse
4.	Chedepudi Koti Reddy	Brother
5.	-	Sister
6.	Chedepudi Aakarsh	Son
7.	Chedepudi Ahlada	Daughter
8.	K. Prasad Reddy	Souse's father
9.	V. Vijayalakshmi	Spouse's mother
10.	-	Spouse's brother
11.	K. Kiranmayee	Spouse's sister

Entities forming part of the Promoter Group:

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

Sr. No.	Name of the entity
1.	Ahlada Laboratories Private Limited
2.	Blue Fence Systems Private Limited
3.	Ahlada Clean Room Tech Private Limited
4.	Vykuntapuram Eco Resorts Private Limited
5.	Ahlada Marketing Private Limited
6.	Vykuntapuram Club and Resorts Private Limited
7.	Vibrant Technologies India Private Limited
8.	Akarsh Marketing Private Limited
9.	Ahlada HVAC Systems Private Limited
10.	M/s Elegant Products (Partnership Firm)
11.	M/s Elegant (Partnership Firm)
12.	M/s Sree Lakhsmi Industries (Sole Proprietorship)

Shareholding of the Promoter Group in our Company

For details in relation to the shareholding of our Promoter and Promoter Group as on the date of this Red Herring Prospectus, see *"Capital Structure- Shareholding of our Promoter and other members of our Promoter Group"* on page 59.

Other Confirmations

None of our Promoter, Promoter Group (immediate relatives of our Promoter as defined under sub-clause (zb) (ii) sub-regulation (1) Regulation 2 of the SEBI (ICDR) Regulations) and Group Entities have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Further, none of our Promoter or members of our Promoter Group or any company of which they are promoter, directors or persons in control have been debarred, or restricted from accessing the capital markets for any reasons, by SEBI or any other authorities.

OUR GROUP ENTITIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of "group entities" in relation to the disclosure in offer documents, our Company has considered:

- *entities covered under applicable accounting standards (i.e., companies disclosed as related parties in accordance with Accounting Standard 18 issued by the ICAI) as per the Restated Audited Financial Information; and*
- *other entities that are considered material by our Board pursuant to the materiality policy adopted by the Company by a board resolution dated May 19, 2018.*

Pursuant to a resolution of our Board dated May 19, 2018, for the purpose of disclosure in the Red Herring Prospectus, a company shall be considered material by our Board if: (a) it is a member of the Promoter Group (b) the investment in the form of equity or loan by our Company exceeds 10% of the Net Worth of our Company for the most recent audited fiscal period; and our Company has entered into one or more transactions with such company in the previous audit fiscal year cumulatively exceeding 5% of the total revenue of the Issuer for such audited fiscal year, or (c) a material adverse effect on such company could have a material adverse effect on our Company or (d) our Promoter is a director and/ or shareholder of such Company.

Accordingly, based on the foregoing, following are the Group Entities of our Company:

Sr. no.	Name of Group Entity
	Companies
1.	Blue Fence Systems Private Limited
2.	Vibrant Technologies India Private Limited
3.	Ahlada Marketing Private Limited
4.	Vykunta Puram Eco Resorts Private Limited
5.	Vykunta Puram Club and Resorts Private Limited
6.	Akarsh Marketing Private Limited
7.	Ahlada Clean Room Tech Private Limited
8.	Ahlada HVAC Systems Private Limited
	Partnership Firms
9.	M/s. Elegant Products
10.	M/s. Elegant
	Sole Proprietorships
11.	M/s. Sree Lakshmi Industries
12.	M/s. Mettle Engineers

A. Details of the five largest Group Entities based on turnover:

Set forth below are the details of our five largest Group Entities by turnover as on date of this Red Herring Prospectus.

1. Blue Fence Systems Private Limited ("BSPL")

Corporate Information

BSPL is a private limited company and was incorporated on October 13, 2010 under the Companies Act, 1956 with the Registrar of Companies, Andhra Pradesh at Hyderabad. The CIN of BSPL is U29200TG2010PTC070833. The registered office of BSPL is situated at Door No. 7-2-C-14/A, Sanath Nagar Industrial Estate Sanath Nagar, Hyderabad – 500 018, Telangana, India. BSPL is engaged in the business *inter alia* to develop and manufacture fire detection equipment, fire control equipment, fire proof articles and items useful in residential, commercial, industrial and all other uses.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	4,62,000	30.81

Other than as disclosed hereinabove, our Promoter is also the director on the board of BSPL and may be deemed to be interested to the extent of fees, if any, payable to him for attending meetings of the board or a committee thereof as well as to the extent of other remuneration or reimbursement of expenses payable to him.

Financial Information

Set forth below is the financial information of BSPL based on its audited financial statements for the last three Fiscal Years:

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*	March 31, 2016	March 31, 2015
Equity Capital	150.00	150.00	150.00
Reserves and Surplus (excluding revaluation reserves)	447.24	353.93	239.61
Total revenue	2,374.65	2,376.97	2,125.12
Profit (Loss) after Tax	125.80	114.31	102.76
Basic EPS (in ₹)	8.39	7.62	6.85
Diluted EPS (in ₹)	8.39	7.62	6.85
Net Asset Value per equity share (in ₹)	39.82	33.59	25.97

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

2. Vibrant Technologies India Private Limited ("*VTIPL*")

Corporate Information

VTIPL is a private limited company and was incorporated on February 22, 2016 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of VTIPL is U31908TG2016PTC103428. The registered office of VTIPL is situated at Flat No. 301, Plot No. 22, 23, 40 and 41, Gandhi Nagar, Ranga Reddy Nagar, Qutbullapur, Hyderabad- 500 037, Telangana, India. VTIPL is engaged in the business *inter alia*, to manufacture, trade and provide technology and software development services in relation to electrical items and electrical control panel boards.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	52,000	26.54

Other than as disclosed hereinabove, our Promoter does not have any other significant interest in VTIPL.

Financial Information

Set forth below is the financial information of VTIPL for the financial year 2017 based on its audited financial statements for the last Fiscal Year:

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*
Equity Capital	19.60
Reserves and Surplus (excluding revaluation reserves)	5.68
Total revenue	131.39
Profit (Loss) after Tax	5.68
Basic EPS (in ₹)	2.90
Diluted EPS (in ₹)	2.90
Net Asset Value per equity share (in ₹)	12.90

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

3. Ahlada Marketing Private Limited ("AMPL")

Corporate Information

AMPL is a private limited company and was incorporated on May 31, 2016 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of AMPL is U74999TG2016PTC110009. The registered office of AIPL is situated at F-204, Samhitha Nilayam, Eenadu Colony, Kukatpally, Rangareddi, Hyderabad- 500 072, Telangana, India. AMPL is engaged *interalia* to provide technical services to carry on business as marketing technical consultants both in internal and external markets.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	6,700	67

Other than as disclosed hereinabove, our Promoter is also the director on the board of AMPL and may be deemed to be interested to the extent of the sum and expenses, if any, payable to him for attending each regular and special meeting of the board as well as to the extent of other remuneration or reimbursement of expenses payable to him.

Financial Information

Set forth below is the financial information of AMPL for the Fiscal Year 2017 prepared in accordance with the applicable law:

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*
Equity Capital	1.00
Reserves and Surplus (excluding revaluation reserves)	(13.28)
Total revenue	18.79
Profit (Loss) after Tax	(13.28)
Basic EPS (in ₹)	(132.83)
Diluted EPS (in ₹)	(132.83)
Net Asset Value per equity share (in ₹)	(122.83)

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

4. Vykunta Puram Eco Resorts Private Limited ("VPERPL")

Corporate Information

VPERPL is a private limited company and was incorporated on November 3, 2015 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of VPERPL is U74900AP2015PTC097659. The registered office of VPERPL is situated at F-304, M.G. Mannar Appartments, Jayapradamba Degree College, 3/10 Vidyanagar, Guntur, Krishna - 522 003, Andhra Pradesh, India. VPERPL is engaged in the business *interalia*, to own, operate and manage casinos, resorts and hotels.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	18,51,500	52.74

Other than as disclosed hereinabove, our Promoter is also the director on the board, secretary and treasurer of VPERPL and may be deemed to be interested to the extent of the fees, if any, payable to him as to the extent of other remuneration or reimbursement of expenses payable to him.

Financial Information

Set forth below is the financial information of VPERPL for the last two Fiscal Years prepared in accordance with the applicable law:

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*	March 31, 2016
Equity Capital	351.09	1.00
Reserves and Surplus (excluding revaluation reserves)	-	-
Total revenue	-	-
Profit (Loss) after Tax	-	-
Basic EPS (in ₹)	-	-
Diluted EPS (in ₹)	-	-
Net Asset Value per equity share (in ₹)	-	-

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

5. Vykunta Puram Club and Resorts Private Limited ("VPCRPL")

Corporate Information

VPCRPL is a private limited company and was incorporated on June 13, 2016 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of VPCRPL is U74999AP2016PTC103450. The registered office of VPCRPL is situated at F-304, M.G. Mannar Apartments, Jayapradamba Degree College, 3/10 Vidyanagar, Guntur, Krishna – 522 003, Andhra Pradesh, India. VPCRPL is engaged in the business *interalia*, to own, operate and manage casinos, resorts and hotels.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	1,500	15

Other than as disclosed hereinabove, our Promoter is also the director on the board, secretary and treasurer of VPCRPL and may be deemed to be interested to the extent of the fees, if any, payable to him as to the extent of other remuneration or reimbursement of expenses payable to him.

Financial Information

Set forth below is the financial information of VPCRPL for the Fiscal Year 2017 prepared in accordance with the applicable law:

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*
Equity Capital	1.00
Reserves and Surplus (excluding revaluation reserves)	-
Total revenue	-
Profit (Loss) after Tax	-
Basic EPS (in ₹)	-
Diluted EPS (in ₹)	-
Net Asset Value per equity share (in ₹)	-

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

B. Details of other Group Entities:

1. Akarsh Marketing Private Limited ("APL")

Corporate Information

APL is a private limited company and was incorporated on May 15, 2017 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of APL is U74999TG2017PTC117054. The registered office of APL is situated at Sy No. 145, Shutter No. 7, Rayapa Reddy Building, Bahadurpally, Dundigal, Rangareddi – 500 043, Telangana, India. APL is engaged in the business *interalia*, to carry on sale and purchase activities and to act as service agents for providing after sale services and other technical services.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	5,100	51

Other than as disclosed hereinabove, our Promoter is also the director on the board of APL and may be deemed to be interested to the extent of the fees, if any, payable to him as to the extent of other remuneration or reimbursement of expenses payable to him.

Financial Information

The financial information of APL is not available since the company was incorporated on May 15, 2017.

2. Ahlada Clean Room Tech Private Limited ("ACTPL")

Corporate Information

ACTPL is a private limited company and was incorporated on January 31, 2018 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of ACTPL is U74995TG2018PTC122051. The registered office of ACTPL is situated at P. No. I-2-3, SY No. 13, Devi Homes, Kompally, Qutubullapur (M), Rangareddi, Hyderabad- 500 014, Telangana, India. ACTPL is engaged in the business *interalia* to provide machinery items and equipment which are used in bulk drugs, pharmaceuticals, food and beverages and other allied industries.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	5,000	50

Other than as disclosed hereinabove, our Promoter does not have any other significant interest in ACTPL.

Financial Information

The financial information of ACTPL is not available since the company was incorporated on January 31, 2018.

3. Ahlada HVAC Private Limited ("AHPL")

Corporate Information

AHPL is a private limited company and was incorporated on April 4, 2018 under the Companies Act, 2013 with the Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad. The CIN of AHPL is U74999TG2018PTC123554. The registered office of AHPL is situated at Sy. No. 145, House No. 1-22, Bahadurpally Village, Dundigal, Gandimysamma, Rangareddi- 500 043, Telangana, India. AHPL is engaged in the business *interalia* to manufacture, install and commission heating, ventilation and air conditioning units along with related accessories.

Interest of our Promoter

Name of the Promoter	No. of equity shares	% of shareholding
Chedepudi Suresh Mohan Reddy	8,100	81

Other than as disclosed hereinabove, our Promoter is also the director on the board of AHPL and may be deemed to be interested to the extent of the fees, if any, payable to him as to the extent of other remuneration or reimbursement of expenses payable to him.

Financial Information

The financial information of AHPL is not available since the company was incorporated on April 4, 2018.

4. M/s Elegant Products ("Elegant Products")

Elegant Products is a partnership firm formed under a partnership deed dated April 29, 2015 entered into between Alla Ravindra Reddy, Alla Raghurami Reddy, Konduri Kiran, Vanga Gowtham Reddy and M/s Elegant. Subsequently, a Deed of Reconstitution dated April 1, 2017 was entered into between Konduri Kiran, Alla Raghurami Reddy, Vanga Gowtham Reddy, Chedepudi Suresh Mohan Reddy, Kurre Rajasekhar Reddy, Kochuru Vinod Kumar Reddy, Konda Bala Gangadhara Reddy and Gade Adi Reddy. The registered office of Elegant Products is situated at Plot No. 142, APIIC Industrial Estate, Mangalagiri Mandal, Guntur District – 522 503, Andhra Pradesh, India. Elegant Products is presently engaged in the business of trading and marketing steel doors, steel window sets, tiles, marbles, sanitary ware, etc.

Interest of our Promoter

As on March 31, 2018, our Promoter Chedepudi Suresh Mohan Reddy is holding a profit sharing ratio of 11.11% in Elegant Products.

Financial Performance

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*	March 31, 2016
Partners' Capital Account	17.23	22.72
Total Income	550.65	188.87
Net Profit/ (Loss)	2.54	(7.27)

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

5. M/s Elegant ("Elegant")

Elegant is a partnership firm formed under a partnership deed dated March 21, 2015 entered into and by and between Chedepudi Suresh Mohan Reddy, Kurre Rajasekhar Reddy, Kochuru Vinod Kumar Reddy, Konda Bala Gangadhara Reddy and Gade Adi Reddy. The registered office of Elegant is situated at Flat No. 401, Chandra Vihar Apartments, Plot No. 171, Eenadu Colony, Kukatpally, Hyderabad- 500 072, Telangana, India. Elegant is presently engaged in the business of trading and marketing of products in relation to civil construction, infrastructure facilities, etc.

Interest of our Promoter

As on March 31, 2018, our Promoter Chedepudi Suresh Mohan Reddy is holding a profit sharing ratio of 40% in Elegant.

Financial Performance

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*	March 31, 2016
Partners' Capital Account	12.20	12.20
Total Income	-	-
Net Profit/ (Loss)	-	-

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

6. M/s Sree Lakshmi Industries ("Sree Lakshmi")

M/s Sree Lakshmi is a proprietary concern formed by our Promoter, Chedepudi Suresh Mohan Reddy. M/s Sree Lakshmi has its office at Sy.No.145, Rayapa Reddi Building, Bahdurpalli, Quthbulapur, Hyderabad- 500 043, Telangana, India.

M/s Sree Lakshmi is currently engaged in the business of trading in stainless steel.

Financial Information

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*	March 31, 2016	March 31, 2015
Total Income	42.48	16.48	8.36
Profit/(Loss) after tax	6.31	(0.27)	1.15
Capital Account	20.73	37.92	27.43

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

7. M/s Mettle Engineers ("Mettle Engineers")

M/s Mettle Engineers is a proprietary concern formed by our Director, Kuchuru Vinod Kumar Reddy. M/s Mettle Engineers has its office at Sy. No. 145, No. 4, Ground Floor, Rayappa Reddy Building, Bahadurpally Village, Quthbullapur Mandal, R.R District Hyderabad- 500 043, Telangana, India.

M/s Mettle Engineers is currently engaged in the business of trading in stainless steel.

Financial Information

(*₹ in lakhs, except for per share data*)

Particulars	March 31, 2017*	March 31, 2016	March 31, 2015
Total Income	24.86	16.16	0.90
Profit/(Loss) after tax	(0.63)	8.18	0.054
Capital Account	27.09	31.75	3.01

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

Group Entities with negative net worth

Except for Ahlada Marketing Private Limited there are no other Group Entities with negative net worth as on March 31, 2018.

Loss making Group Entities

The following table set forth the details of our Group Entities which have incurred loss in the last Financial Year and profit/(loss) made by them in the last three Financial Years:

(₹ in Lacs)

S. No.	Name of the entity	Profit/(Loss)*		
		March 31, 2017	March 31, 2016	March 31, 2015
1.	M/s Elegant Products	2.54	(7.27)	-
2.	Ahlada Marketing Private Limited	(13.28)	-	-
4.	M/s Mettle Engineers	(0.63)	8.18	0.054
5.	M/s Sree Lakshmi Industries	6.31	(0.27)	1.15

**The finanacial numbers as on March 31, 2018 have not been audited yet.*

Nature and Extent of Interest of Group Entities

a) In the promotion of our Company

None of our Group Entities have any interest in the promotion of our Company.

b) In the business of our Company

Except as stated in the chapter *"Related Party Transactions"* on page 149 our Group Entities do not have any business interests in our Company.

c) In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Red Herring Prospectus with SEBI

None of our Group Entities are interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Red Herring Prospectus.

d) In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Entities are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Companies/ Firms from which the Promoter has disassociated himself in the last three years

Our Promoter has not disassociated himself from any of the companies, firms or any other entities during the last three years preceding the date of this Red Herring Prospectus.

Common Pursuits

Except for Ahlada Clean Room Tech Private Limited and Ahlada HVAC Private Limited, none of our other Group Entities have objects similar to that of our Company or that are carrying out business activities similar to ours. Accordingly, there are common pursuits between Ahlada Clean Room Tech Private Limited, Ahlada HVAC Private Limited and our Company which could be a potential source of conflict. Though our Company has entered into a non-compete agreements with the respective Group Entities, our Company would also adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when

they arise. For further details, please refer to *"Risk Factors - Two of our Group Entity has main objects which is similar to ours and may be a potential source of conflict for us"* on page 20.

Related business transactions within the Group Entities and significance on the financial performance of the Company

Except as disclosed in *"Related Party Transactions"* on page 149 of this Red Herring Prospectus, there are no related business transactions of the Company with its Group Entities.

Sale / Purchase between Group Entities

Except as stated in the chapter *"Related Party Transactions"* and *"Financial Statements"* on pages 149 and 151 respectively, none of our Group Entities are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate 10.00% of the total sales or purchases of our Company.

Defunct / Sick Group Entities

Except for, Mettle Engineers Private Limited which had made an application in the form of Form EES, 2010 dated August 31, 2010 for striking off its name from the register of members, as the company had not carried any business activity since its incorporation on August 29, 2006, and whose name has been struck off from the records of Registrar of Companies, none of our other Group Entities have made application for striking off their names

Further, none of the Group Entities have become sick companies under the erstwhile Sick Industrial Companies Act, 1985 or have become insolvent under the Insolvency and Bankruptcy Code, 2016 and no winding up proceedings have been initiated against them. Additionally, none of our Group Entities have become defunct during the five years preceding the filing of this Red Herring Prospectus.

Litigation

For details relating to legal proceeding involving our Group Entities of our Promoter, please see the section *"Outstanding Litigation and Material Development"* beginning on page 243 of this Red Herring Prospectus.

Other Confirmations

Our Group Entities have not been prohibited or debarred from accessing the capital markets for any reason by SEBI or any other regulatory or governmental authority.

Further, none of our Group Entities have been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Equity shares of our Group Entities have not been listed on any stock exchanges and none of our Group Entities have made any public issues / rights issues in the last three years.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five financial years, as per the requirements under Accounting Standard 18 "*Related Party Disclosures*" issued by the Institute of Chartered Accountants of India, please see "*Financial Statements – Annexure 26 – Restated Standalone Statement of Related Party Transactions*" and on page 206 of this Red Herring Prospectus, respectively.

DIVIDEND POLICY

As on the date of this Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders at their discretion, subject to the provision of the Articles of Association and the Companies Act. The dividends, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of other factors, including, restrictive covenants under the loan or financing documents we may enter into from time to time. For further details on restrictive covenants, refer "*Financial Indebtedness*" on page 234 Our Company has no formal dividend policy. Our Board may also, from time to time, pay interim dividends. Our Company has not declared any dividends since its incorporation.

SECTION VI - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

RESTATED STANDALONE FINANCIAL STATEMENTS

The Board of Directors
Ahlada Engineers Limited
Door No 4-56, Survey No. 62/1/A & 67,
Tech Mahindra Road, Bahadurpally,
Qutbullapur Mandal, Hyderabad 500 043,
Rangareddi, Telangana, India.

Auditor's Report on Restated Standalone Financial Information of Ahlada Engineers Limited (the "Company")

Dear Sirs,

1) We have examined the attached Restated Standalone Financial Information of Ahlada Engineers Limited, which comprise the Restated Standalone Summary Statement of Assets and Liabilities as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014, the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and the Restated Standalone Summary of Significant Accounting Policies as approved by the Board of Directors at their meeting held on 09 May 2018 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and the Prospectus to be prepared by the Company in connection with its proposed offer of equity shares of the Company in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and

   b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

The preparation of the Restated Standalone Financial Information is the responsibility of the management of the Company for the purpose set out in paragraph 10 below. The management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2) We have examined such Restated Standalone Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 20 April 2018 and addendum thereto in connection with the proposed issue of equity shares of the Company; and

   b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI").

3) The Restated Standalone Financial information have been compiled by the management from:

a) the Audited Standalone Financial Statements as at and for the year ended 31 March 2018 and 31 March 2017 prepared in accordance with accounting principles generally accepted in India which have been approved by the Board of directors at their meeting held on 05 May 2018 and 04 September 2017 respectively and have been audited by us;

b) the Audited Standalone Financial Statements as at and for the year ended 31 March 2016, 31 March 2015 and 31 March 2014 prepared in accordance with accounting principles generally accepted in India which have been approved by the Board of directors at their meetings held on 02 September 2016, 01 September 2015, 01 September 2014 respectively; and audited by Independent Auditor, M/s. M. Srinivasa Kumar & Co, Chartered Accountants

4) For the purpose of our examination, we have relied on:

a. Independent Auditors' Report issued by M/s M. Srinivasa Kumar & Co, Chartered Accountants dated 02 September 2016, 01 September 2015 and 01 September 2014 on the standalone financial statements of the Company as at and for the year ended 31 March 2016, 31 March 2015 and 31 March 2014 respectively as referred in paragraph 3(b) above; and

b. Independent Auditors' report issued by us dated 04 September 2017 and 05 May 2018 on the standalone financial statements of the Company as at and for the year ended 31 March 2017 and 31 March 2018 respectively as referred in paragraph 3(a) above.

5) In accordance with the provisions and for complying the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:

a. The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements.

b. The Restated Standalone Summary Statement of Profit and Loss of the Company, for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and re-grouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements.

c. The Restated Standalone Summary Statement of Cash Flows of the Company, for each of the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements.

6) Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information:

a. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

b. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and

c. do not contain any extraordinary items that need to be disclosed separately in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments.

7) We have also examined the following restated standalone financial information of the Company set out in the Annexures prepared by the management and approved by the Board of Directors for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014:

a. Annexure IV: Restated Standalone Summary of Significant Accounting Policies;
b. Annexure V: Notes to Restated Standalone Financial Information;
c. Annexure VI: Statement of Adjustments to Audited Standalone Financial Statements;
d. Annexure VII: Restated Standalone Statement of Accounting Ratios;
e. Annexure VIII: Restated Standalone Statement of Capitalization;
f. Annexure IX: Restated Statement of Tax Shelter; and
g. Annexure X: Restated Standalone Statement of Dividend

According to the information and explanations given to us, in our opinion, the Restated Standalone Financial Information and the above restated financial information contained in Annexures I to X accompanying this report, read with Restated Standalone Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and reclassifications/regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

8) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, either separately or jointly with other firms of chartered accountants as referred to in paragraph 4 above, nor should this report be construed as a new opinion on any of the audited standalone financial statements referred to herein.

9) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, the stock exchanges where the equity shares are proposed to be listed and Registrar of Companies, Hyderabad in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **Kishore & Venkat Associates**.,
Chartered Accountants
Firm Registration No: 001807S

(**M V RAMANA REDDY**)
Partner
Membership Number: 026845

Place: Hyderabad **Date:** 09 May 2018

Annexure – I: Restated Standalone Summary of Assets and Liabilities

(All Amounts in Rupees Lakhs, unless stated otherwise)

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	***1***	875.60	437.80	437.80	437.80	437.80
Reserves and surplus	***2***	2772.09	2400.88	2073.59	1767.61	1509.01
Non-current liabilities						
Long-term borrowings	***3***	2430.14	1155.20	452.85	156.34	208.00
Deferred tax liabilities (net)	***4***	78.35	26.25	30.90	30.09	47.82
Long-term provisions	***5***	51.65	56.83	53.20	33.23	25.31
Current liabilities						
Short-term borrowings	***6***	2284.96	1893.98	1859.43	1645.71	1215.01
Trade payables	***7***	2676.30	2368.32	2541.20	1916.59	2070.40
Dues to Micro Enterprises and Small Enterprises		96.85	130.42	90.10	34.40	0.00
Dues to creditors other than MSME		2579.45	2237.90	2451.10	1882.19	2070.40
Other current liabilities	***8***	3020.75	1238.69	759.52	758.23	423.32
Short-term provisions	***9***	372.63	207.74	178.44	166.58	147.80
Grand Total		***14562.47***	***9785.69***	***8386.93***	***6912.18***	***6084.47***

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
ASSETS						
Non-current assets						
Fixed assets						
Property, plant and equipment	***10***	5388.45	2325.11	1540.00	1085.48	1189.74
Other non-current assets	***11***	7.56	0.00	0.00	0.00	0.00
Current Assets						
Inventories	***12***	4307.30	3116.64	2789.07	2574.74	2536.92
Trade Receivables	***13***	3556.49	2561.74	2984.77	2820.05	1995.88
Cash and bank balances	***14***	225.13	159.10	186.17	208.03	146.46
Short-term loans and advances	***15***	1077.54	1623.10	886.92	162.08	150.40
Other current assets	***16***	0.00	0.00	0.00	61.80	65.07
Grand Total		***14562.47***	***9785.69***	***8386.93***	***6912.18***	***6084.47***

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure – IV and Notes to Restated Standalone Financial information in Annexure V are an integral part of this statement.

For and on behalf of Board

Ch. Suresh Mohan Reddy	**P. Kodanda Rami Reddy**	**M/s. Kishore & Venkat Associates**	**Place: Hyderabad**
Managing Director	Company Secretary	Chartered Accountants	
DIN No: 00090543	(Membership No: A45822)	Firm Regn. No: 001807S	
K. Vinod Kumar Reddy	**A. Narasimha Rao**	**(M V Ramana Reddy)**	**Date: 09-05-2018**
Whole Time Director	**Chief Financial Officer**	Partner	
DIN No: 01696085		**M.No: 026845**	

Annexure – II: Restated Standalone Summary Statement of Profit & Loss Account
(All Amounts in Rupees Lakhs, unless stated otherwise)

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Revenue						
Revenue from Operation	***17***	12778.44	11843.83	11107.48	9622.97	7901.84
Other Income	***18***	10.94	11.43	39.70	7.70	11.66
Total Revenue		***12789.38***	***11855.26***	***11147.19***	***9630.66***	***7913.50***
Expenses						
Cost of materials consumed	***19***	8377.35	7190.45	6876.61	5839.97	5724.60
Changes in inventories of finished goods and work-in-progress	***20***	(441.93)	(207.47)	(78.29)	49.62	(771.76)
Employee benefits expense	***21***	1067.87	930.32	875.84	794.80	525.04
Finance costs	***22***	487.12	417.15	350.63	312.09	235.31
Depreciation and amortization Expense	***23***	365.33	300.07	171.61	195.48	157.62
Other expenses	***24***	1706.16	2697.30	2468.19	2032.02	1632.49
Total Expenses		***11561.90***	***11327.82***	***10664.58***	***9223.98***	***7503.31***
Profit Before Tax		**1227.48**	**527.44**	**482.60**	**406.68**	**410.19**
Tax Expenses						
Current tax		366.37	204.80	175.86	165.03	147.80
Prior Period Items-earlier taxes		0.00	0.00	-0.05	0.78	0.13
Deferred tax		52.10	(4.65)	0.81	(17.74)	(2.60)
Profit for the year		***809.01***	***327.29***	***305.98***	***258.61***	***264.85***
Earning Per Equity Share (Nominal Value of equity share Rs. 10 each)	***28***	9.24	3.74	3.49	2.95	3.07

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure – IV and Notes to Restated Standalone Financial information in Annexure V are an integral part of this statement.

For and on behalf of Board

Ch. Suresh Mohan Reddy
Managing Director
DIN No: 00090543

P. Kodanda Rami Reddy
Company Secretary
(Membership No: A45822)

M/s. Kishore & Venkat Associates
Chartered Accountants
Firm Regn. No: 001807S

K. Vinod Kumar Reddy
Whole Time Director
DIN No: 01696085

A. Narasimha Rao
Chief Financial Officer

(M V Ramana Reddy)
Partner
M.No: 026845

Place: Hyderabad

Date: 09-05-2018

Annexure – III: Restated Standalone Summary Statement of Cash Flows
(All Amounts in Rupees Lakhs, unless stated otherwise)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Cash Flow from Operating Activities:					
Net Profit before tax as per Profit and Loss A/c	1227.48	527.44	482.60	406.68	410.19
Adjustment for:-					
Depreciation & Amortisation Expense	365.33	300.07	171.61	195.48	157.62
Preliminary Expenses written off	1.89	0.00	0.00	0.00	0.00
Interest Expense	487.12	417.15	350.63	312.09	233.31
Interest Income	(8.80)	(11.01)	(15.89)	(7.73)	(12.50)
Income from Mutual Funds	(0.11)	0.00	0.00	0.00	0.00
Profit on Sale of Asset	(0.48)	0.00	(5.61)	0.00	0.00
Operating Profit Before Working Capital Changes	***2072.44***	***1233.65***	***983.35***	***906.51***	***788.62***
Adjusted for (Increase)/ Decrease in:					
Short term provision	3.32	0.36	1.03	1.55	(121.98)
Long Term Provisions	(5.18)	3.63	19.97	7.91	18.69
Trade Receivables	(994.75)	423.04	(164.73)	(824.16)	(729.57)
Loans & Advances	545.55	(736.19)	(724.84)	(11.68)	(1.11)
Inventories	(1190.65)	(327.58)	(214.32)	(37.83)	(920.56)
Other current assets	0.00	0.00	61.80	3.27	(13.78)
Trade Payables	307.98	(172.88)	624.61	(153.81)	839.95

Other Current Liabilities	954.36	217.48	95.42	395.50	30.78
Cash Generated from Operations	***(379.37)***	***(592.14)***	***(301.06)***	***(619.24)***	***(897.57)***
Appropriation of Profit					
Net Income Tax paid/ refunded	(204.81)	(175.86)	(164.98)	(148.58)	(27.52)
Net Cash Flow from/(used in) Operating Activities: (A)	***1488.26***	***465.65***	***517.30***	***138.69***	***(136.47)***
Cash Flow from Investing Activities:					
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	(3429.09)	(1085.18	(627.12)	(91.22)	(224.57)
Sale of Fixed Asset	0.90	0.00	6.60	0.00	0.00
Increase in other noncurrent assets	(9.45)	0.00	0.00	0.00	0.00
Income from Mutual Funds	0.11	0.00	0.00	0.00	0.00
Interest on FD	8.80	11.01	15.89	7.73	12.50
Net cash generated from/(used in) investing activities: (B)	***(3428.74)***	***(1074.17)***	***(604.63)***	***(83.49)***	***(212.07)***
Cash Flow From Financing Activities:					
Proceeds from issue of Share Capital (includes Share premium)	0.00	0.00	0.00	0.00	400.40
Proceeds from Long Term Borrowings	5027.40	3013.77	1413.83	697.72	178.30
Repayment of Long Term Borrowings	(2924.75)	(2049.73)	(1211.46)	(809.97)	(296.27)
Net (Increase)/Decrease in other Noncurrent assets	390.99	34.55	213.72	430.70	344.86
Finance Cost Paid	(487.12)	(417.15)	(350.63)	(312.09)	(238.22)
Net Cash Flow from/(used in) Financing Activities: (C)	***(96.14)***	***(382.60)***	***(136.91)***	***118.62***	***106.64***
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	***66.03***	***(27.07)***	***(21.86)***	***61.57***	***40.53***

Cash & Cash Equivalents as At Beginning of the Year	159.10	186.17	208.03	146.46	105.93
Cash & Cash Equivalents as At End of the Year	***225.13***	***159.10***	***186.17***	***208.03***	***146.46***
Cash and cash equivalents comprise of:					
Cash on Hand	3.35	0.88	15.71	6.25	5.63
Bank Balance					
--- In Current Account	91.10	34.29	30.79	55.60	13.74
--- In Deposit Account	130.68	123.92	139.67	146.18	127.08
Grand Total	***225.13***	***159.10***	***186.17***	***208.03***	***146.46***

a) Figures in brackets indicate cash outflows.
b) Cash and cash equivalents include as per Note No.14.

The accompanying Restated Standalone Summary of Significant Accounting Policies in Annexure – IV and Notes to Restated Standalone Financial information in Annexure V are an integral part of this statement.

For and on behalf of Board

Ch. Suresh Mohan Reddy
Managing Director
DIN No: 00090543

P. Kodanda Rami Reddy
Company Secretary
(Membership No: A45822)

M/s. Kishore & Venkat Associates
Chartered Accountants
Firm Regn. No: 001807S

K. Vinod Kumar Reddy
Whole Time Director
DIN No: 01696085

A. Narasimha Rao
Chief Financial Officer

(M V Ramana Reddy)
Partner
M.No: 026845

Place: Hyderabad

Date: 09-05-2018

1. (a) Corporate Information

Ahlada Engineers Limited (the "Company") incorporated in 2005, under the Companies Act 1956, is engaged in the business of manufacturing steel doors, steel windows, clean room equipments, clean room furniture and HVAC etc. Currently, the Company has four manufacturing facilities in India. The Company was converted into a public limited company with effect from 06 February 2018.

(b) Basis of preparation

The Restated Standalone Summary Statement of Assets and Liabilities as at 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flow for the year ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 (together referred to as "Restated Standalone Financial Information") have been compiled by the Company from the Audited Standalone Financial Statements to which further adjustments are made to comply in all material aspects with the requirements of the SEBI (Issue of Disclosure and Capital Requirements) Regulations, 2009, as amended (the "Regulations"). Accordingly, these Restated Standalone Financial Information have been prepared after incorporating adjustments for the audit qualifications for the respective years under consideration and after incorporating adjustments for the material amounts in the respective financial years to which they relate as explained later. There were no extraordinary items that needed to be disclosed separately for the respective years under consideration.

The Audited Standalone Financial Statements of the Company were prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). Indian GAAP comprises accounting standards as specified under Section 133 of the Companies Act, 2013 ('the Act'), and the relevant provisions of the Act the Companies Act, 1956 and other accounting pronouncements of The Institute of Chartered Accountants of India (ICAI). The accounting policies adopted in the preparation of the standalone financial statements are consistent with those adopted in the preparation of the financial statements for the year ended 31 March 2018,31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

This Restated Standalone Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of:

(a) Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of the Act read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014; and

(b) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "Regulations") issued by the Securities and Exchange Board of India ('SEBI') on 26 August 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

2. **Significant Accounting Policies**

(a) Use of estimates

While preparing the Restated Standalone Financial Information in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

(b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) **Revenue from operations**

- Income of the company is derived from sale of products and includes excise duty and is net of sales returns, trade and cash discounts. Domestic sales are recognized on the basis of sale invoices raised which is after physical clearance of goods sold.
- Revenue from services is recognized when services are rendered to customers.
- Export sales are recognised on the basis of date of bill of lading and let export certification.
- Export benefits are recognised on post shipments basis.

(ii) **Other income**

- Interest income is recognized using the time proportion method.

(c) Employee benefits

Provident Fund

Contribution towards Provident Fund for certain employees is made to the regulatory authorities, where the company has no further obligations. Such benefits are classified as defined contribution schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis.

ESI

Contribution towards Employees State Insurance for certain employees is made to the regulatory authorities, where the company has no further obligations. Such benefits are classified as defined contribution schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis

Gratuity:-

The company provides for Gratuity, a defined benefit plan (The "Gratuity Plan") covering eligible employees in accordance with the payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment of an amount based on the respective employee's salary and the tenure of employment. The company's liability is actuarially determined (based on the employee service in the company) at the end of each year. Actuarial losses or gains are recognized in the statement of profit and loss in the year in which they arise.

Earned Leave:

The company the earned leaves cost in its statement of profit and loss on the basis of leaves balance outstanding in the employees account.

d) Tangible assets/ fixed assets:

Property, Plant & Equipment

- Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Costs directly attributable to acquisition or capitalized until the property, plant and equipment are ready for use as intended by the management. Cost of fixed assets not ready to use before such date are disclosed under" Capital Work-in - Progress". The company depreciates the property, plant and equipment over their estimated useful lives using written down value method. The estimated life of the assets considered as per the Companies Act, 2013 is:

Block of Asset	Useful life as per Companies at 2013 (in years)
Buildings	30
Plant & Machinery	20
Computer and Cell Phones	3
Furniture and Fittings	10
Office Equipment	7
Vehicles	8
Electrical Equipment	12

As on 31st March 2014

Depreciation Accounting

Fixed assets are depreciated pro rata to the period of use, based on Written down Value method at the rates prescribed under Schedule XIV of the companies Act, 1956.

As on 31st March 2015

Depreciation Accounting

Depreciation is provided on pro rata basis on Written down value method over estimated useful lives of the assets prescribed under Schedule II of the Companies Act, 2013 except Plant & Machinery, Office Equipment and Electricals & Fittings. The useful lives of Plant & Machinery, Office Equipment and Electricals & Fittings are considered as 20, 7, 12 years respectively on the basis of Technical evaluation provided by the Chartered Engineer engaged by the Company. The estimates of useful lives of the assets have undergone a change on account of transition of Companies Act, 2013. This has resulted an addition in depreciation for an amount of Rs.33,44,083/-.

e) Inventories:

Inventories are valued at cost and net realizable value, whichever is lower. The cost is determined using the first in first out (FIFO) method. The method of determination of cost of various categories of inventory is as follows.

- Raw materials and stores & spares at cost
- Finished goods and work in process - at lower of market value or cost which includes appropriate production overheads and the cost being determined on weighted average basis.

f) Subsidy

Government grant available to the Company is recognised only when there is reasonable assurance that the Company will comply with the conditions attached to them and where such benefits have been earned by the Company and it is reasonably certain that the ultimate collection will be made.

Where the assistance from the government is in the nature of promoter's contribution, it is credited to capital reserve.

Where the grant or subsidy relates to revenue item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

g) Borrowing Costs

Borrowing costs include interest, other cost incurred in connection with borrowing and exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial

period of time to get ready for their intended use or sale, or added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Expenditure incurred on alteration/temporary constructions is charged off as expenditure under appropriate heads of expenditure in Statement of Profit and Loss in the year in which it is incurred. All other borrowing costs are recognized as an expense in the period in which they are incurred.

h) Impairment of property, plant and equipment and intangible assets

Assessment is done at each balance sheet date as to whether there is any indication that as asset (tangible/intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Recoverable amount is higher of an assets/cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit (GGU). An asset of CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exists or may have decreased, An impairment loss is reversed to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been previously been recognized.

i) Foreign currency transactions

i) Initial recognition

On initial recognition all foreign currency transactions are recorded by applying to the foreign currency amount that the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Subsequent recognition

Exchange differences on restatement of all other monetary items are recognized in the statement of Profit and Loss.

j) Accounting for taxes on income

Deferred income tax

Tax expense for the period, comprising current tax and deferred tax, are included in determination of net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

k) Earnings per Share

Net profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per share.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period/year attributable to equity shareholders and the weighted average number of shares outstanding during the period/year are adjusted for the effects of all dilutive potential equity shares.

l) Provision, contingent liabilities and contingent assets

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingents assets are neither recognised nor disclosed in the financial statements.

m) Derivative instruments

The exchange differences arising on forward contracts other than those entered into to hedge the foreign currency risk of firm commitments or highly probable forecast transactions are recognised in the period/year in which they arise based on the difference between

i) Foreign currency amount of the contract translated at the exchange rate on the reporting date and

ii) The same foreign currency amount translated at the later of the date of inception of the forward exchange contract or the last reporting date.

The premium or discount arising at the inception of the forward contracts other than those entered into hedge the foreign currency risk of firm commitments or highly probable forecast transactions is amortized as expense or income over the life of the contract

Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the period/year.

As per the Institute of Chartered Accountants of India (ICAI) Announcement, accounting for derivative contracts, other than those covered under Accounting Standard-11, “The Effects of Changes in Foreign Exchange Rates”, are marked to market on individual portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the statement of profit and loss. Considering the principles of prudence as enumerated in Accounting Standard-1, “Disclosure of Accounting Policies”, net gains arising on account of marked to market of derivative contracts are ignored.

n) Cash and cash equivalents (for the purpose of cash flow statement)

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and Margin money for Letter of Credit, Bank Guarantee and Short fall of Term Loan Deposit Amount.

o) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company is segregated based on the available information.

p) Segment accounting

The company operates in the same segments which are subject to similar risks and returns Segments are in line with Accounting Standard 17 - 'Segment Reporting' ('AS 17'). The accounting policies adopted for segment reporting are in line with those adopted for preparing and presenting the financial statements of the Company.

1.

a) Share Capital

(Figures in Rs. Lacs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount,	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital	150	1500	45	450	45	450	45	450	45	450
Face value of Equity Shares		10		10		10		10		10
Issued, Subscribed and Full Paid up	87.56	875.60	43.78	437.80	43.78	437.80	43.78	437,80	43.78	437,80
Preference Shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

b) The Company has only one class of equity shares having a par value of Rs.10 each (All other previous years: Rs 10 each). Each holder of equity share is entitled to one vote per share held. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

c) Reconciliation of Equity Share Capital (Equity Share of Rs. 10/- each fully paid up)

(Figures in Rs. Lacs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Balance at the Beginning of the Period / Year	43.78	437.80	43.78	437.80	43.78	437.80	43.78	437.80	40.70	407.00

Add:-										
Share Issues during the Period / Year	43.78	437.80	-	-	-	-	-	-	3.08	30.80
Balance at end of the Period / Year	***87.56***	***875.60***	***43.78***	***437.80***	***43.78***	***437.80***	***43.78***	***437.80***	***43.78***	***437.80***

d) Share Holding More than 5% of Shares of the Company as at

(Figures in Rs. Lacs)

Name of the Director	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
Ch Suresh Mohan Reddy	58.99	67.37	29.50	67.37	28.78	65.74	26.07	59.55	26.07	59.55
K Bala Gangadhar Reddy	5.50	6.28	2.75	6.28	2.75	6.28	2.75	6.28	2.75	6.28
K Rajasekhar Reddy	4.77	5.45	2.39	5.45	-	-	-	-	-	-

e) Details of Shares Allotted as fully paid up by way of Bonus issues during current Period and Last 5 Years

Period / Year Ended	Face Value (Rs.)	Number of Shares (Lacs)
31st March 2018	10	43.78
31st March 2017	-	-
31st March 2016	-	-
31st March 2015	-	-
31st March 2014	-	-

2. Reserves and Surplus

(Figures in Rs. Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014
Securities Premium					
Balance at the Beginning of the Period / Year	601.97	601.97	601.97	601.97	232.37
Add: Additions made during the Period / Year on allotment of Equity Shares	-	-	-	-	369.60
Balance at the End of the Period / Year	***601.97***	***601.97***	***601.97***	***601.97***	***601.97***
Capital Reserve					
State investment subsidy at the beginning of the Period / Year	20.64	20.64	20.64	20.64	20.64
Add : Subsidy received during the Period / Year	-	-	-	-	-
Balance at the End of the Period / Year	***20.64***	***20.64***	***20.64***	***20.64***	***20.64***
General Reserve					
Balance at the Beginning of the Period / Year	-	-	-	-	-
Add: Additions made during the Period / Year	-	-	-	-	-
Balance at the End of the Period / Year	-	-	-	-	-
Surplus in the statement of profit and loss					
Balance at the Beginning of the Period / Year	***1778.28***	***1450.99***	***1145.01***	***886.40***	***621.55***
Add : Transferred from statement of profit and loss	***809.01***	***327.29***	***305.98***	***258.61***	***264.85***
Less:					
Transfer to Capital/ Utilized for issue of bonus shares	***437.80***	-	-	-	-
Balance at the End of the Period / Year	***2149.49***	***1778.28***	***1450.99***	***1145.01***	***886.40***
Grand Total	***2772.09***	***2400.88***	***2073.59***	***1767.61***	***1509.01***

3. Long Term Borrowings

(Figures in Rs. Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014
Secured					
Term Loans					
- from Banks & NBFCs	1272.34	701.05	77.26	44.87	88.18
Vehicle Loans					
- from Banks & NBFCs	46.18	82.79	22.40	3.66	3.87
Unsecured Loans					
- from Banks	260.65	0.00	0.00	25.04	12.25
- from Directors	850.98	371.36	353.19	82.77	103.70
Grand Total	2430.14	1155.20	452.85	156.34	208.00

3 (a) Details of Long Term Borrowings

(Figures in Rs. Lacs)

Sl No	Nature of Loan	Lender	31st March 2018		31st March 2017		31st March 2016		31st March 2015		31st March 2014	
			Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
1	Term Loan from Banks	State Bank of India	695.21	130.35	-	-	-	-	-	-	-	-
2	Term Loan from Non Banks	Tata Capital Financial Services Limited -2	40.47	10.79	-	-	-	-	-	-	-	-
3	Term Loan from Non Banks	Tata Capital Financial Services Limited - 3	53.01	14.14	-	-	-	-	-	-	-	-
4	Term Loan from Non Banks	Siemens Financial Services Pvt Ltd - II	94.23	258.99	-	-	-	-	-	-	-	-
5	Term Loan from Non Banks	Hero Fincrop ltd	-	13.89	13.89	21.18	-	-	-	-	-	-
6	Term Loan from Non Banks	Hero Fincrop ltd	281.75	67.89	349.04	50.36	-	-	-	-	-	-
7	Term Loan from Non Banks	Tata Capital Financial Services Limited – 1	107.67	68.02	170.03	68.01	-	-	-	-	-	-
8	Term Loan from Non Banks	Siemens Financial Services Pvt Ltd - I	-	-	168.09	127.78	-	-	-	-	-	-
9	Term Loan from Non Banks	Edelweiss Retail Finance Limited	-	-	-	77.26	77.26	109.45	-	-	-	-
10	Term Loan from Non Banks	Reliance Capital Ltd	-	-	-	-	-	-	-	2.59	2.59	9.39
11	Term Loan from Non Banks	Kotak Mahindra Bank Ltd	-	-	-	-	-	-	-	0.73	0.73	3.96
12	Term Loan from Non Banks	Reliance Capital Ltd	-	-	-	-	-	-	-	-	-	27.43
13	Term Loan from Banks	State Bank of Hyderabad - 1	-	-	-	-	-	-	-	-	-	97.25
14	Term Loan from Banks	State Bank of Hyderabad - 2	-	-	-	-	-	-	44.87	50.24	84.86	40.00
Total			**1272.34**	**564.07**	**701.05**	**344.59**	**77.26**	**109.45**	**44.87**	**53.56**	**88.18**	**178.03**

Nature of Securities	Sl. No1:- TL and WC Facilities: Proposed purchase of Machinery and Electrical installations and furniture's & Fittings (excluding machinery and vehicles financed by NBFCs). Existing Machinery and Electrical installations and furniture's & Fittings (excluding machinery and vehicles financed by NBFCs). and Reaming securities as per Agreement
Interest Rate	Sl No1:- 11.75% p.a.
Tenure of Repayment	Sl No1:- Repayable with door to door tenor of 69 months including moratorium period of 1 year (12 Months). Interest should be serviced as and when debited during the moratorium period. Monthly Instalment of Rs.21,05,263/- will start w.e.f, July, 2018 for 57 months.
Nature of Securities	***Sl. No2 & 3:***- Exclusive First charge by way of hypothecation on the following assets being funded by i) PPMPL MANUFACTURED "6-DL-FIX" SIX DAYLIGHT PRESS SYSTEM QTY 2 ii) LOW PRESSURE FOAMING MACHINE QTY 1 iii) POWER PRESS-15 TONS CAPACITY HYDRAULIC PRESS QTY 1 iv) POWER PRESS-60 TONS CAPACITY HYDRAULIC PRESS QTY 1 v) GLASS STRAIGHT LINE EDGA GRINDING MACHINE QTY 1 vi) SHERING MACHIE, MODEL 3106 WITH CNC & PRESS BRAKE (BENDING MACHINE) ECHP-150.31/25 QTY 1 vii) SPECIAL PURPOSE CAPACITOR DISCHARGE, STORED ENERGY WELDERS 1-30KVA, 3-10KVA QTY 4. viii) JIB CRANE, 5 TON CAPACITY QTY 1 ix) Scissor Lift Capacity 1000 Kgs x) JHS Making integrated transformer portable IT Gun xi) Washing Machine & Hydro Extractor xii) Automatic Tapping machine model JT – 4508, 4 Axis Multi 5 Pindles xiii) Element Analyser – XL 2 800 – Make Nition xiv) CNC Press Break Machine Model UAD 170 / 4100 xv) Box Panel Roll forming Machine
Interest Rate	***Sl No2 & 3***:- 12.00% p.a.
Tenure of Repayment	***Sl No2:***- Tenure up to 48 Equal Instalments, Each Instalment Rs. 89,900/- excluding interest
	Sl No3:- Tenure up to 48 Equal Instalments, Each Instalment Rs. 117,800/- excluding interest
Nature of Securities	***Sl. No4:***- Exclusive First charge by way of hypothecation on the following assets being funded by Siemens Financial Services Pvt. Ltd i) Amada Hydraulic Press Break -1 No ii) Powder Coated Booth – 1 No iii) Cold Roll forming machine – 1 No iv) Light pressure foam machine – 1 No v) CNC turrent Punch vi) Standard 3Mt 120 Tons Smart CNC Press Break With ESA Controller vii) X and R Axis Back Guage Hydraulic Cooling Systems – 01 No viii) Standard ZQXJ 2 Oven with 2 Membrane Table – 01 No ix) Special Purpose Capacitor Discharge Storage Energy Welder – 03 No x) Supply of 1 Ton Freight Elevator – 01 No xi) Laser Machine ISEO – 01 No
Interest Rate	***Sl No4***:- 13.75% p.a.
Tenure of Repayment	***Sl No4:***- Tenure up to 24 Equal Instalments, Each Instalment Rs. 24,28,750/- Including interest

31st March 2017

Nature of Securities	***Sl. No5:-*** First and exclusive charge by way of hypothecation on the assets being funded by Hero Fincorp Ltd. The charge operates as security, inter alia, for the due repayment of Machinery Term Loan of Rs. 43 Lacs, together with interest.
Interest Rate	***Sl. No5:-*** 15.00% p.a.
Tenure of Repayment	***Sl. No5:-*** Tenure up to 24 Equal Instalments, Each Instalment Rs. 208,493/- including interest
Nature of Securities	***Sl. No6.-*** Exclusive First charge by way of hypothecation on the assets being funded by Hero Fincorp Limited, specifically mentioned in Schedule I of Deed of Hypothecation dated 25.10.2016 (attached). The charge operates as security, inter alia, for the due repayment of Machinery Term Loan of Rs. 4,00,00,000/-, together with interest payable by the Company to Hero Fincorp Limited.
Interest Rate	***Sl. No6:-*** 12.75% p.a.
Tenure of Repayment	***Sl. No6:-*** Repayment: Within 66 months including 6 months moratorium, each Instalment Rs. 905,103/- including interest
Nature of Securities	***Sl. No7.-*** Exclusive First charge by way of hypothecation on the assets being funded by Tata Capital Financial Services Ltd TRANSFER PRINTING MACHINE (COMPLETE DOOR), SELLER – YING INTERNATIONAL INCORPORATION GROUP TRANSFER PRINTING MACHINE (DOOR FRAME), SELLER YING INTERNATIONAL INCORPORATION GROUP POWDER COATING PLANT, SELLER – YING INTERNATIONAL INCORPORATION GROUP
Interest Rate	***Sl. No7:-*** 13.50% p.a.
Tenure of Repayment	***Sl. No7:-*** Repayment: Within 48 months including 6 months moratorium, each Instalment Rs. 566,800/- excluding interest.
Nature of Securities	***Sl. No8:-*** Exclusive First charge by way of hypothecation on the assets being funded by Siemens Financial Services Pvt. Ltd 1 No. Of laser machine ISEO model
Interest Rate	***Sl. No8:-*** 13.75% p.a.
Tenure of Repayment	***Sl. No8:-*** Repayment: Within 36 Equal Instalments, each Instalment Rs. 12,26,028/- Including interest

31st March 2016

Nature of Securities	***Sl. No9:-*** First & exclusive charge by way of Hypothecation on the assets financed in favour of Edelweiss Retail Finance Limited
Interest Rate	***Sl. No9:-*** 15.00% p.a.
Tenure of Repayment	***Sl. No9:-*** Repayable in 24 months including moratorium period of 6 months. Each EMI-13,10,081/

31st March 2015

Nature of Securities	***Sl. No10:-*** First & exclusive charge by way of Hypothecation on the assets financed in favour of Reliance Capital Ltd.
Interest Rate	***Sl. No10:-*** 15.75% p.a.
Tenure of Repayment	***Sl. No10:-*** Repayment Within 36 Equal Instalments EMI is Rs. 88500/-
Nature of Securities	***Sl. No11:-*** First & exclusive charge by way of Hypothecation on the assets financed in favour of Kotak Mahindra Bank Ltd
Interest Rate	***Sl. No11:-*** 6.30% p.a.
Tenure of Repayment	***Sl. No11:-*** Repayment within 35 Equal Instalments
Nature of Securities	***Sl. No12:-*** First & exclusive charge by way of Hypothecation on the assets financed in favour of Reliance Capital Ltd.
Interest Rate	***Sl. No12:-*** 15.25% p.a.
Tenure of Repayment	***Sl. No12:-*** Repayable in 36 monthly instalments of Rs. 69576/- each

31st March 2014

Nature of Securities	***Sl. No13 & 14:-*** a) First Charge on the entire fixed assets present and future b) Equitable mortgage of factory land & Building (3630 Sq yards + 1210 Yards) in Sy No 66,68 & 69 situated at Bahadurpally Village, Quthbullapur Mandal, standing in the of the company c) Equitable mortgage of factory land in Sy No 66 & 68 situated at Bahadurpally Village, Quthbullapur Mandal, standing in the of the Golla Pedda Komaraiah & Golla Ashok d) Equitable mortgage of Residential house bearing no 8/48/313 in sy no 206,210 & 212 suitated at Boduppal village, standing in the of Smt N Kameswari S/o. N Sukruta Kumar – 198 Sq Yards
Interest Rate	***Sl. No13 & 14:-*** 14.50% p.a.
Tenure of Repayment	***Sl. No13:-*** Term loan 1 is repayable in 72 monthly instalments. The first 71 instalments Rs. 7.25 Lakhs each plus interest and 72 instalment of Rs. 10.25 lacks plus interest
	Sl. No14:- Term Loan 2 is repayable in 20 Quarterly instalments of Rs. 10 lakhs each commencing from 30.06.2012

b) Details of Long Term Hire Purchase Borrowings:-

(Figures in Rs. Lacs)

Sl No	Nature of Loan	Lender	31st March 2018		31st March 2017		31st March 2016		31st March 2015		31st March 2014	
			Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
1	Vehicle Loan from Banks - BMW	HDFC Bank Ltd	27.77	9.78	37.56	8.91	-	-	-	-	-	-
2	Vehicle Loan from Banks - Innova	HDFC Bank Ltd	2.56	7.19	9.74	6.54	-	-	-	-	-	-
3	Vehicle Loan from Non Banks	Volkswagen Financial Services	3.99	4.02	8.01	3.67	-	-	-	-	-	-
4	Vehicle Loan from Non Banks	Alphera Financial Services	7.24	2.66	9.9	2.42	-	-	-	-	-	-
5	Vehicle Loan from Non Banks	Nissan Financial Services Ltd	3.14	2.69	5.83	2.50	-	-	-	-	-	-
6	Vehicle Loan from Banks - DCM	HDFC Bank Ltd	0.74	4.14	4.88	3.64	8.51	3.19	-	-	-	-
7	Vehicle Loan from Banks - DCM	HDFC Bank Ltd	0.74	4.14	4.88	3.64	8.51	3.19	-	-	-	-
8	Vehicle Loan from Banks - Suneel	HDFC Bank Ltd	-	1.99	1.99	2.42	4.42	2.18	-	-	-	-
9	Vehicle Loan from Banks - Ecosport	Axis Bank Ltd	-	-	-	0.96	0.96	2.7	3.66	2.43	-	-
10	Vehicle Loan from Banks - Chevrole	HDFC Bank Ltd	-	-	-	-	-	-	-	1.83	1.83	1.78
11	Vehicle Loan from Banks - VL1	HDFC Bank Ltd	-	-	-	-	-	-	-	1.02	1.02	1.38
12	Vehicle Loan from Banks - VL2	HDFC Bank Ltd	-	-	-	-	-	-	-	1.02	1.02	1.38
13	Vehicle Loan from Banks - Sumo	HDFC Bank Ltd	-	-	-	-	-	-	-	-	-	1.87
14	Vehicle Loan from Banks - Kishore	HDFC Bank Ltd	-	-	-	-	-	-	-	-	-	1.07
Total			**46.18**	**36.61**	**82.79**	**34.69**	**22.40**	**11.26**	**3.66**	**6.30**	**3.87**	**7.48**

31st March 2018 & 31st March 2017

Nature of Securities	Sl. No1:- BMW X3 XDRIVE20D XLINE WITH AT BSIV
Interest Rate	Sl. No1:- 9.35% p.a.
Tenure of Repayment	Sl. No1:- 60 Monthly Instalments
Nature of Securities	***Sl. No2 :-*** TOYOTA INNOVA CRYSTA / 2016, Engine No. 1GD A023604,
Interest Rate	***Sl. No2*** :- 9.50% p.a.
Tenure of Repayment	***Sl. No2:-*** Tenure up to 36 Equal Instalments
Nature of Securities	***Sl. No3 :-*** Vento 1.5 TDI 9AT) High Line L4390 BSIV
Interest Rate	***Sl. No3*** :- 9.15% p.a.
Tenure of Repayment	***Sl. No3:-*** Tenure up to 36 Equal Instalments
Nature of Securities	***Sl. No4 :-*** HUNDAI CRETA 1.6 SX PLUS AUTO
Interest Rate	***Sl. No4*** :- 9.34% p.a.
Tenure of Repayment	***Sl. No4:-*** Tenure up to 60 Equal Instalments
Nature of Securities	***Sl. No5:-*** NISSAN Terrano / 2016, Engine No. E029225, VIN / Chassis No : MDHHSNAW5G2027013
Interest Rate	***Sl. No5*** :- 7.57% p.a.
Tenure of Repayment	***Sl. N05:-*** Tenure up to 48 Equal Instalments

31st March 2016

Nature of Securities	***Sl. No6:-*** New EICHER Vehicles (Model - 11.10, Year of manufacture - 2015)
Interest Rate	***Sl. No6***:- 13.01% p.a.
Tenure of Repayment	***Sl. No6:-*** Tenure up to 48 Equal Instalments,
Nature of Securities	***Sl. No7:-*** New EICHER Vehicles (Model - 11.10, Year of manufacture - 2015)
Interest Rate	***Sl. No7***:- 13.01% p.a.
Tenure of Repayment	***Sl. No7:-*** Tenure up to 48 Equal Instalments,
Nature of Securities	***Sl. No8:-*** New Car - Hyundai I-20 Elite / Asta, 2015
Interest Rate	***Sl. No8***:- 10.50% p.a.
Tenure of Repayment	***Sl. No8:-*** Repayable in 36 Equated Monthly Instalments of Rs. 23,053/- each

31st March 2015

Nature of Securities	***Sl. No9:-*** Vehicle : FORD ECOSPORT
Interest Rate	***Sl. No9***:- 10.65% p.a.
Tenure of Repayment	***Sl. No9:-*** Repayment in 36 months Repayment cycle start date 15th of each month.

31st March 2014

Nature of Securities	***Sl. No10:***- Vehicle : Chevrolet Car
Interest Rate	***Sl. No10***:- 13.51% p.a
Tenure of Repayment	***Sl. No10:***- Tenure up to 36 Equal Instalments
Nature of Securities	***Sl. No11:***- Dost Vehicle
Interest Rate	***Sl. No11***:- 12.52%
Tenure of Repayment	***Sl. No11:***- Tenure up to 36 Equal Instalments,
Nature of Securities	***Sl. No12:***- Dost Vehicle
Interest Rate	***Sl. No12***:- 12.52%
Tenure of Repayment	***Sl. No12:***- Tenure up to 36 Equal Instalments,
Nature of Securities	***Sl. No13:***- Tata Sumo
Interest Rate	***Sl. No13***:- 14.85% p.a.
Tenure of Repayment	***Sl. No13:***- Tenure up to 36 Equal Instalments,
Nature of Securities	***Sl. No14:***- Chevrolet
Interest Rate	***Sl. No14***:- 13.51% p.a.
Tenure of Repayment	***Sl. No14:***- Tenure up to 36 Equal Instalments

(c) Details of Unsecured Loans from Bank & NBFCs:

(Figures in Rs. Lacs)

Sl No	Nature of Loan	Lender	31st March 2018		31st March 2017		31st March 2016		31st March 2015		31st March 2014	
			Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
1	Business Loan from Banks	HDFC Bank Ltd	2.65	29.24	-	-	-	-	3.60	36.4	1.05	5.71
2	Business Loan from Non Banks	Tata Capital Financial Services	2.96	32.28	-	-	-	-	-	12.46	-	3.44
3	Business Loan from Banks	Standard Charted Bank Ltd	3.33	36.65	-	-	-	-	4.52	45.48	-	-
4	Business Loan from Non Banks	Magma Fincrop Ltd	4.45	48.46	-	-	-	-	-	17.25	-	13.59
5	Business Loan from Non Banks	Capital First Ltd	-	32.00	-	-	-	-	13.6	9.60	-	-
6	Business Loan from Banks	Kotak Mahindra Bank Ltd	-	31.58	-	-	-	-	-	5.36	5.36	19.05
7	Business Loan from Non Banks	Fullerton India Credit Co Ltd	2.45	26.78	-	-	-	-	-	-	-	-
8	Business Loan from Non Banks	Capita Float	-	31.64	-	-	-	-	-	-	-	-
9	Business Loan from Banks	RBL Bank Ltd	2.47	26.81	-	-	-	-	-	-	-	-
10	Business Loan from Banks	Indus Ind Bank Ltd	2.49	26.86	-	-	-	-	-	-	-	-
11	Business Loan from Non Banks	Bajaj Finserve Ltd	1.62	17.7	-	-	-	-	-	1.57	1.57	43.82
12	Business Loan from Non Banks	Aditya Birla finance Ltd	3.71	40.33	-	-	-	-	-	-	-	-
13	Business Loan from Banks	Shiram City Union Finance Ltd	2.99	15.97	-	-	-	-	-	-	-	-
14	Business Loan from Banks	Equitus Small	-	4.53	-	-	-	-	-	-	-	-

15	Business Loan from Non Banks	India Infoline Finance Ltd	2.47	26.87	-	-	-	-	-	-	-	-
16	Business Loan from Non Banks	Jain Sons Finlease Ltd	229.06	189.8	-	-	-	-	-	-	-	-
17	Business Loan from Non Banks	United Petro Finance Ltd	-	3.34	-	-	-	-	-	-	-	-
18	Business Loan from Non Banks	Neogrowth	-	2.44	-	-	-	-	-	-	-	-
19	Business Loan from Non Banks	Edelwise Retails Finance Ltd	-	-	-	16.97	-	-	-	-	-	-
20	Business Loan from Non Banks	Religare Finvest Ltd	-	-	-	-	-	13.84	-	7.03	4.27	15.18
21	Business Loan from Banks	ICICI Bank Ltd	-	-	-	-	-	-	3.32	33.68	-	-
22	Business Loan from Banks	Dhanalaxmi Bank Ltd	-	-	-	-	-	-	-	-	-	2.98
Total			**260.65**	**623.28**	**-**	**16.97**	**-**	**13.84**	**25.04**	**168.83**	**12.25**	**103.77**

31st March 2018

Nature of Securities	Sl. No1:- Nil
Interest Rate	Sl. No1:- 15.50% p.a.
Tenure of Repayment	Sl. No1:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 267,985/-
Nature of Securities	**Sl. No2**:- Nil
Interest Rate	**Sl. No2**:- 18.50% p.a.
Tenure of Repayment	**Sl. No2**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 300,996/-
Nature of Securities	**Sl. No3**:- Nil
Interest Rate	**Sl. No3**:- 16.50% p.a.

Tenure of Repayment	**Sl. No3**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 338,201/-
Nature of Securities	**Sl. No4**:- Nil
Interest Rate	**Sl. No4**:- 18.50% p.a.
Tenure of Repayment	**Sl. No4**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 452,274/-
Nature of Securities	**Sl. No5**:- Nil
Interest Rate	**Sl. No5**:- 10.35% p.a.
Tenure of Repayment	**Sl. No5**:- Repayable 18 Equal Monthly Instalments, each instalment Rs. 486,223/-
Nature of Securities	**Sl. No6**:- Nil
Interest Rate	**Sl. No6**:- 18.00% p.a.
Tenure of Repayment	**Sl. No6**:- Repayable 18 Equal Monthly Instalments, each instalment Rs. 478,543/-
Nature of Securities	**Sl. No7**:- Nil
Interest Rate	**Sl. No7**:- 17.50% p.a.
Tenure of Repayment	**Sl. No7**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 248,415/-
Nature of Securities	**Sl. No8**:- Nil
Interest Rate	**Sl. No8**:- 18.50% p.a.
Tenure of Repayment	**Sl. No8**:- Repayable 18 Equal Monthly Instalments, each instalment Rs. 480,332.86/-
Nature of Securities	**Sl. No9**:- Nil
Interest Rate	**Sl. No9**:- 18.00% p.a.
Tenure of Repayment	**Sl. No9**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 249,621/-
Nature of Securities	**Sl. No10**:- Nil
Interest Rate	**Sl. No10**:- 18.50% p.a.

Tenure of Repayment	**Sl. No10**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 250,830/-
Nature of Securities	**Sl. No11**:- Nil
Interest Rate	**Sl. No11**:- 18.00% p.a.
Tenure of Repayment	**Sl. No11**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 164,750/-
Nature of Securities	**Sl. No12**:- Nil
Interest Rate	**Sl. No12**:- 18.65% p.a.
Tenure of Repayment	**Sl. No12**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 376,791/-
Nature of Securities	**Sl. No13**:- Nil
Interest Rate	**Sl. No13**:- 19.50% p.a.
Tenure of Repayment	**Sl. No13**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 153,348/-
Nature of Securities	**Sl. No14**:- Nil
Interest Rate	**Sl. No14**:- 18.80% p.a.
Tenure of Repayment	**Sl. No14**:- Repayable 12 Equal Monthly Instalments, each instalment Rs. 460,310/-
Nature of Securities	**Sl. No15**:- Nil
Interest Rate	**Sl. No15**:- 18.50% p.a.
Tenure of Repayment	**Sl. No15**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 250,830/-
Nature of Securities	**Sl. No16**:- Nil
Interest Rate	**Sl. No16**:- 17.25% p.a.
Tenure of Repayment	**Sl. No16**:- Repayable 30 Equal Monthly Instalments, each instalment Rs. 20,63,560/-
Nature of Securities	**Sl. No17**:- Nil
Interest Rate	**Sl. No17**:- 19.25% p.a.

Tenure of Repayment	**Sl. No17**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 170,625/-
Nature of Securities	**Sl. No18**:- Nil
Interest Rate	**Sl. No18**:- 19.25% p.a.
Tenure of Repayment	**Sl. No18**:- Repayable 24 Equal Monthly Instalments, each instalment Rs. 243,750/-

31st March 2016

Nature of Securities	**Sl. No19**:- Nil
Interest Rate	**Sl. No19**:- 19.00% p.a.
Tenure of Repayment	**Sl. No19**:- Repayable 19 Equal Monthly Instalments, each instalment Rs. 258,810/-

(d) Details of Unsecured Loans from Directors

(Figures in Rs. Lacs)

Sl No	Nature of Loan	Lender	31st march 2018		31st march 2017		31st march 2016		31st march 2015		31st march 2014	
			Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
1	Unsecured	Ch Suresh Mohan Reddy	486.02	0.00	113.27	0.00	341.19	0.00	82.77	0.00	75.32	0.00
2	Unsecured	K Vinod Kumar Reddy	129.50	0.00	140.00	0.00	12.00	0.00	0.00	0.00	28.38	0.00
3	Unsecured	K Rajasekhar Reddy	34.37	0.00	78.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Unsecured	K Bala Gangadhar Reddy	1.09	0.00	40.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Unsecured	K Iswara Varaprasad Reddy	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total			**850.98**	**0.00**	**371.36**	**0.00**	**353.19**	**0.00**	**82.77**	**0.00**	**103.7**	**0.00**

4. Deferred Tax Liabilities (Net)

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Deferred Tax Liabilities					
Timing Difference on Depreciation and Amortization of Fixed Assets	95.42	45.60	48.16	41.37	55.06
Deferred Tax Assets					
Provision for Employee Benefits	17.07	19.36	17.26	11.28	7.24
Deferred Tax Liabilities (Net)	***78.35***	***26.25***	***30.90***	***30.09***	***47.82***

5. Long Term Provisions

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Provision for Gratuity (Also refer note 6(a))	49.83	55.83	49.04	29.47	22.33
Provision for leave encashment	1.82	1.00	4.16	3.76	2.98
Total	***51.65***	***56.83***	***53.20***	***33.23***	***25.31***

b) (i) Defined benefit plan/ other long term benefit plans
a. Defined benefit plan - Gratuity
b. Other long term benefits - Leave encashment

The following table set out the status of the plan for gratuity as required under Accounting Standard (AS) - 15 (R) - Employee benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(Figures in Rs. Lacs)

Particulars	**Gratuity as on 31st March 2018**	**Gratuity as on 31st March 2017**	**Gratuity as on 31st March 2016**	**Gratuity as on 31st March 2015**	**Gratuity as on 31st March 2014**
Actuarial assumptions					
Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%
Rate of increase in compensation levels	4.00%	4.00%	4.00%	4.00%	4.00%
Rate of return of plan assets	--	--	-	8.00%	8.00%
Demographic assumptions					
Mortality rate	IALM 2006 - 08	IALM 2006 - 08	IALM 2006 - 08	IALM 2006 - 08	IALM 2006 – 08
Retirement age	60	60	60	60	60
Withdrawal rates	5.00%	5.00%	5.00%	5.00%	4.00%
Change in the present value of obligation :					
Present value of obligation as at the end of the period/year	58.77	51.61	31.01	0.00	0.00
Interest cost	4.70	4.12	2.48	0.00	0.00
Current service cost	9.76	1.68	1.49	0.86	0.00
Benefits paid	0.00	0.00	0.00	0.00	0.00
Actuarial loss /(gain)	-17.14	1.35	16.62	30.14	0.00
Present value of obligation as at the end of the period/year	56.08	58.77	51.61	31.01	0.00
Change in the fair value of plan assets:					

Fair value of plan assets at the beginning of the period/year	--	--	-	-	-
Expected return on plan assets	--	--	-	-	-
Contributions	--	--	-	-	-
Benefits paid	--	--	-	-	-
Actuarial gain	--	--	-	-	-
Fair value of plan assets at the end of the period/year	--	--	-	-	-
Reconciliation of present value of defined benefit obligation and the fair value of assets:					
Present value of funded obligation as at the end of the period/year	56.08	58.77	51.61	31.01	0
Fair value of plan assets as at the end of the period funded status	0	0	0	-	0
Unfunded/funded net liability recognized in balance sheet (inclusive of current liability as disclosed in Note 10 "Short term provisions")	56.08	58.77	51.61	31.01	0
Expenses recognised in the statement of profit and loss:	(2.68)	7.15	20.60	31.01	0
Current service cost	9.75	1.68	1.49	0.86	0
Interest cost	4.70	4.12	2.48	0.00	0
Expected return on plan assets	0	0	0	0	0
Net actuarial loss/(gain) recognized in the period/year	(17.14)	1.35	16.62	30.14	0
Total expenses recognized in the statement of profit and loss	**(2.68)**	**7.15**	**20.60**	**31.01**	**0**

6. Short Term Borrowings

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Working Capital Loans from					
State Bank of India / State Bank of Hyderabad	1873.61	1872.71	1859.43	1645.71	1215.01
Tata Capital Financial Services Ltd	206.46	--	--	--	--
Axis Bank Ltd	146.09	21.27	--	--	--
Bill Discounting from					
Tata Capital Financial Services Ltd	58.80	--	--	--	--
Total	***2284.96***	***1893.98***	***1859.43***	***1645.71***	***1215.01***

As at 31 March 2018

a) The Cash credit loan from SBI are secured by

a. 1st charge on stocks, book debts and all other current assets of the Company; b) First charge on entire fixed assets present and future of the Company
b. EM of Factory Land and Building (3630 sq yards + 1210 sq yards + 1210 sq yards) in Sy No.66, 68 & 69 situated at Bahadurpally Village, Quthbullapur Mandal standing in the name of the Company
c. EM of factory land in Sno.66 & 68 admeasuring 1210 sq yards situated at Bahadurpally Village, Quthbullapur Mandal standing in the name of the A. Golla Pedda Komaraiah
d. Lien on FDR worth of Rs.15 lakhs;
e. Personal guarantee of Sri Ch Suresh Mohan Reddy, Sri K Rajashekara Reddy, Sri K Vinod Kumar Reddy and Sri K Balagangadhar Reddy, Directors of the Company; and
f. Personal guarantee of Sri A Golla Pedda Komaraiah as third party guarantors.
g. EM of Residential Building in S No: 117,125,126 & 127, HNo: 2 – 22 – 41, 2 – 22 – 46 / 4, Plot No : 160A / 163A, Flat No: 204, Samhitha Nilayam, Eenadu Colony, Kukatpally, Hyderabad, admeasuring 1550 sq ft standing in the name of the Ch Suresh Mohan Reddy

b) The working capital loan & bill discounting loan payable to Tata Capital Financial Services Limited are guaranteed by the directors Sri Ch Suresh Mohan Reddy, Sri K Rajashekara Reddy, Sri K Vinod Kumar Reddy and Sri K Balagangadhar Reddy,

c) The working capital loan payable to Axis Bank Limited are guaranteed by the directors Sri Ch Suresh Mohan Reddy, Sri K Rajashekara Reddy, Sri K Vinod Kumar Reddy and Sri K Balagangadhar Reddy,

As at 31 March 2017

a. The Cash credit loan from SBH are secured by

a. 1st charge on stocks, book debts and all other current assets of the Company.
b. First charge on entire fixed assets present and future of the Company
c. EM of Factory Land and Building (3630 sq yards + 1210 sq yards + 1210 sq yards) in Sy No.66, 68 & 69 situated at Bahadurpally Village, Quthbullapur Mandal standing in the name of the Company
d. EM of factory land in Sno.66 & 68 admeasuring 1210 sq yards situated at Bahadurpally Village, Quthbullapur Mandal standing in the name of the A. Golla Pedda Komaraiah;
e. Lien on FDR worth of Rs.15 lakhs;
f. Personal guarantee of Sri Ch Suresh Mohan Reddy, Sri K Rajashekara Reddy, Sri K Vinod Kumar Reddy and Sri K Balagangadhar Reddy, Directors of the Company; and
g. Personal guarantee of Sri A Golla Pedda Komaraiah as third party gurantors.

b. The working capital loan payable to Axis Bank Limited are guaranteed by the directors Sri Ch Suresh Mohan Reddy, Sri K Rajashekara Reddy, Sri K Vinod Kumar Reddy and Sri K Balagangadhar Reddy

As at 31 March 2016

a) The Cash credit loan from SBH are secured by

a. 1st charge on stocks, book debts and all other current assets of the Company;
b. First charge on entire fixed assets present and future of the Company;
c. EM of Factory Land and Building (3630 sq yards + 1210 sq yards + 1210 sq yards) in Sy No.66, 68 & 69 situated at Bahadurpally Village, Quthbullapur Mandal standing in the name of the Company;
d. EM of factory land in Sno.66 & 68 admeasuring 1210 sq yards situated at Bahadurpally Village, Quthbullapur Mandal standing in the name of the A. Golla Pedda Komaraiah;
e. Lien on FDR worth of Rs.15 lakhs;
f. Personal guarantee of Sri Ch Suresh Mohan Reddy, Sri K Rajashekara Reddy, Sri K Vinod Kumar Reddy and Sri K Balagangadhar Reddy, Directors of the Company and g) Personal guarantee of Sri A Golla Pedda Komaraiah & Sri A Golla Ashok as third party guarantors.

As at 31 March 2015

a) Cash credit are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered moveable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building (3630 Sq yards + 1210 Sq yards) in Sy No 66 & 68, Bahadurpally Village, Quthbullapur mandal, Ranga Reddy Dist, Hyderabad – 5000 43, Telangana. Standing in the name of the Company.

b) Equitable mortgage of factory land in Sy No: 66 & 68, admeasuring 0.20 guntas (2420 sq yards) standing in the name of A Golla Pedda Komaraiah & A Golla Ashok.

c) Equitable mortgage of Residential House Bearing no 8 / 48 / 313, admeasuring 198 Sq yards in S No: 206, 210 & 212, Situated at Boduppal Village, Standing in the name of Smt N Kameshwari W/o. N Sukruta Kumar

d) Equitable mortgage of Open land admeasuring 450 sq yards situated at plot no : 11, sy no 62 / 1 – A, Bahadurpally Village, Quthbullapur Mandal, Ranga Reddy Dist, Hyderabad , belonging to Smt. Vijayalakshmi W/o. K Rajasekhar Reddy.

As at 31 March 2014

a) Cash credit are secured by first pari passu charge on all the present and future current assets, first pari passu charge on all the present and future unencumbered moveable fixed assets of the borrower, first pari passu charge by way of mortgage of industrial properties including land and building (3630 Sq yards + 1210 Sq yards) in Sy No 66 & 68, Bahadurpally Village, Quthbullapur mandal, Ranga Reddy Dist, Hyderabad – 5000 43, Telangana. Standing in the name of the Company.

b) Equitable mortgage of factory land in Sy No: 66 & 68, admeasuring 0.20 guntas (2420 sq yards) standing in the name of A Golla Pedda Komaraiah & A Golla Ashok.

c) Equitable mortgage of Residential House Bearing no 8 / 48 / 313, admeasuring 198 Sq yards in S No: 206, 210 & 212, Situated at Boduppal Village, Standing in the name of Smt N Kameshwari W/o. N Sukruta Kumar.

7. a) Trade Payables

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Due to micro enterprises and Small enterprises (refer note (b) below)	96.85	130.42	90.10	34.40	0.00
Due to Related Party (refer note 31)	92.68	50.96	41.96	0.00	0.00
Due to trade payables other than micro enterprises and small enterprises	2486.77	2186.94	2409.14	1882.19	2070.40
Grand Total	***2676.30***	***2368.32***	***2541.20***	***1916.59***	***2070.40***

Note: None of the related parties covered under MSMED Act 2006.

b) Dues to micro and small enterprises pursuant to section 22 of the Micro, small and Medium Enterprises Development Act (MSMED), 2006

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Principal amount remaining unpaid	96.85	130.42	90.10	34.40	0.00
The amount of interest accrued and remaining unpaid at the end of the year	0.00	0.00	0.00	0.00	0.00
Amount of interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year	0.00	0.00	0.00	0.00	0.00
Amount of interest due and payable for the period of delay in making payments without the interest specified under the Micro, Small and Medium Enterprise Development Act, 2006	0.00	0.00	0.00	0.00	0.00
Amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of dis allowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	0.00	0.00	0.00	0.00	0.00
Grand Total	***96.85***	***130.42***	***90.1***	***34.4***	***0.00***

As on 31st March, 2014:

Micro, Small and Medium Enterprises Development Act, 2006

In accordance with the notification No. GSR. 719(E) dt. 16.11.2007, issued by the Ministry of Corporate Affairs , certain disclosures are required to be made relating to Micro and small enterprise as defined under the Micro, Small and Medium Development Act 2006. The company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is still not available, no disclosure have been made in the accounts.

8. Other Current Liabilities

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Current maturities of long - term borrowings:					
Term loan (also refer note 3)					
- from Banks	1187.35	361.56	123.30	222.40	281.80
Vehicle loan (also refer note 3)					
- from Banks	36.61	34.69	11.26	6.29	7.49
Advance from customers	1140.65	559.61	374.88	178.43	0.00
Creditors for capital expenditure	292.71	12.41	20.59	6.23	0.00
Statutory dues	128.89	137.27	96.04	206.47	39.06
Interest accrued but not Due	0.00	0.00	0.00	0.00	0.00
Expenses payable [include payable to related parties	0.00	1.57	12.27	2.62	0.00
Employee related payables [include payable to related parties)	127.45	68.36	59.22	72.58	44.50
Others	107.09	63.22	61.96	63.21	50.47
Grand Total	***3020.75***	***1238.69***	***759.52***	***758.23***	***423.32***

9. Short term Provisions

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
-Provision for gratuity [also refer note 6 (a)]	6.26	2.94	2.58	1.56	0.00
Provision for leave encashment	0.00	0.00	0.00	0.00	0.00
Provision for income tax [net of prepaid taxes]	366.37	204.80	175.86	165.02	147.80
Grand Total	***372.63***	***207.74***	***178.44***	***166.58***	***147.80***

10. Property, Plant & Equipment

a) Details of Company's Property, Plant & Equipment and their carrying amount are as follows:-

(Figures in Rs. Lacs)

Particulars	Land	Building	Plant & Machinery	Electrical & Fitting	Cell Phones	Furniture & Fittings	Office Equipment	Computers	Vehicles	Patent Rights	R & D Exp.	Capital (WIP)	Total
Gross Block													0.00
As At 31st March 2013	***83.85***	***329.43***	***1114.84***	***50.97***	***0.75***	***22.09***	***9.34***	***31.16***	***105.72***	***0.91***	***0.00***	***0.00***	***1749.06***
Additions	0.00	24.80	173.17	0.90	0.00	0.00	2.81	19.31	0.00	0.00	0.00	3.58	224.57
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As At 31st March 2014	***83.85***	***354.23***	***1288.01***	***51.87***	***0.75***	***22.09***	***12.15***	***50.47***	***105.72***	***0.91***	***0.00***	***3.58***	***1973.63***
Additions	0.00	37.91	30.79	0.00	0.00	0.00	2.46	13.33	10.30	0.00	0.00	0.00	94.79
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.58	3.58
As At 31st March 2015	***83.85***	***392.14***	***1318.80***	***51.87***	***0.75***	***22.09***	***14.61***	***63.80***	***116.02***	***0.91***	***0.00***	***0.00***	2064.84
Additions	42.33	166.10	141.36	0.00	0.51	0.65	8.15	43.29	39.11	0.00	0.00	185.60	627.10
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.07	0.00	0.00	0.00	12.07
As At 31st March 2016	***126.18***	***558.24***	***1460.16***	***51.87***	***1.26***	***22.74***	***22.76***	***107.09***	***143.06***	***0.91***	***0.00***	***185.60***	2679.87
Additions	0.00	172.34	722.31	17.12	0.62	25.55	41.70	47.60	153.52	0.00	30.77	57.41	1268.94
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	183.75	183.75
As At 31st March 2017	***126.18***	***730.58***	***2182.47***	***68.99***	***1.88***	***48.29***	***64.46***	***154.69***	***296.58***	***0.91***	***30.77***	***59.26***	3765.06

Additions	0.00	0.00	832.86	92.97	0.29	0.15	3.44	12.38	10.87	0.00	0.00	2628.00	3580.96
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.33	0.00	0.00	151.86	160.19
As At 31st March 2018	***126.18***	***730.58***	***3015.33***	***161.96***	***2.17***	***48.44***	***67.90***	***167.07***	***299.12***	***0.91***	***30.77***	***2535.40***	7185.83

b) Details of Company's Property, Plant & Equipment and their carrying amount are as follows:-

(Figures in Rs. Lacs)

Particulars	Land	Building	Plant & Machinery	Electrical & Fitting	Cell Phones	Furniture & Fittings	Office Equipment	Computers	Vehicles	Patent Rights	R & D Exp.	Capital (WIP)	Total
Depreciation													0.00
As At 31st March 2013	***0.00***	***122.69***	***396.35***	***13.30***	***0.55***	***9.51***	***3.92***	***18.77***	***60.75***	***0.44***	***0.00***	***0.00***	***626.28***
Change for the year	0.00	21.13	109.50	3.92	0.04	2.28	1.27	7.75	11.64	0.08	0.00	0.00	157.61
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As At 31st March 2014	***0.00***	***143.82***	***505.85***	***17.22***	***0.59***	***11.79***	***5.19***	***26.52***	***72.39***	***0.52***	***0.00***	***0.00***	***783.89***
Change for the year	0.00	23.42	113.24	9.43	0.16	3.18	4.31	25.81	15.54	0.38	0.00	0.00	195.47
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As At 31st March 2015	***0.00***	***167.24***	***619.09***	***26.65***	***0.75***	***14.97***	***9.50***	***52.33***	***87.93***	***0.90***	***0.00***	***0.00***	**979.36**
Change for the year	0.00	22.69	103.79	6.82	0.05	2.24	3.40	14.16	18.48	0.00	0.00	0.00	171.63
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.08	0.00	0.00	0.00	11.08
As At 31st March 2016	***0.00***	***189.93***	***722.88***	***33.47***	***0.80***	***17.21***	***12.90***	***66.49***	***95.33***	***0.90***	***0.00***	***0.00***	**1139.91**
Change for the year	0.00	45.92	150.11	7.69	0.56	6.62	12.99	35.34	40.86	0.00	0.00	0.00	300.09
Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As At 31st March 2017	***0.00***	***235.85***	***872.99***	***41.16***	***1.36***	***23.83***	***25.89***	***101.83***	***136.19***	***0.90***	***0.00***	***0.00***	**1440.00**
Change for the year	0.00	46.86	201.08	13.56	0.38	6.44	13.06	32.93	51.02	0.00	0.00	0.00	365.33

Sales / Adjustments During the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.91	0.00	0.00	0.00	7.91
As At 31st March 2018	***0.00***	***282.71***	***1074.07***	***54.72***	***1.74***	***30.27***	***38.95***	***134.76***	***179.30***	***0.90***	***0.00***	***0.00***	1797.42

(Figures in Rs. Lacs)

Particulars	Land	Building	Plant & Machinery	Electrical & Fitting	Cell Phones	Furniture & Fittings	Office Equipment	Computers	Vehicles	Patent Rights	R & D Exp.	Capital (WIP)	Total
Net Block at 31st March 2014	83.86	210.41	782.15	34.64	0.16	10.31	6.96	23.95	33.33	0.38	0.00	3.58	**1189.73**
Net Block at 31st March 2015	*83.86*	*224.90*	*699.70*	*25.22*	*0.00*	*7.13*	*5.12*	*11.46*	*28.09*	*0.00*	*0.00*	*0.00*	***1085.48***
Net Block at 31st March 2016	*126.18*	*368.30*	*737.27*	*18.41*	*0.45*	*5.54*	*9.87*	*40.62*	*47.76*	*0.00*	*0.00*	*185.60*	***1540.00***
Net Block at 31st March 2017	*126.18*	*494.74*	*1309.48*	*27.83*	*0.51*	*24.47*	*38.58*	*52.88*	*160.41*	*0.00*	*30.77*	*59.26*	***2325.11***
Net Block at 31st March 2018	*126.18*	*447.87*	*1941.26*	*107.23*	*0.42*	*18.18*	*28.97*	*32.32*	*119.84*	*0.00*	*30.77*	*2535.41*	***5388.45***

a. for Property Plant and Equipment pledged as security, refer note 3(a)
b. for borrowing costs capitalized during the respective years, refer note 22.

11. Other Non-Current Assets

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Preliminary Expenses	7.56	0.00	0.00	0.00	0.00
Grand Total	***7.56***	***0.00***	***0.00***	***0.00***	***0.00***

12. Inventories (valued at lower of cost and net of realized value, unless otherwise stated)

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Raw Material	1979.56	1230.84	1110.73	974.69	887.25
Work In Progress	1585.85	943.63	938.52	947.18	909.95
Finished Goods	741.89	942.18	739.82	652.87	739.72
Total	***4307.30***	***3116.65***	***2789.07***	***2574.74***	***2536.92***
a) Breakup of Work in Progress					
Clean Room Furniture & Clean Room Equipment	22.95	120.23	188.42	497.40	418.33
Clean Room Panel	165.99	135.45	0.00	0.00	0.00
Steel Doors	1007.14	513.55	734.96	449.78	491.62
Steel Windows	374.18	103.77	0.00	0.00	0.00
Others	15.59	70.63	15.14	0.00	0.00
Sub Total (a)	***1585.85***	***943.63***	***938.52***	***947.18***	***909.95***

b) Breakup of Finished Goods					
Clean Room Equipments & Furnitures	10.21	249.97	205.74	70.32	58.43
Clean Room Panel	168.95	306.93	227.64	122.25	145.92
Steel Doors	272.09	276.08	194.85	325.15	535.37
Steel Windows	41.75	106.89	101.64	15.15	0.00
Others	248.89	2.31	9.95	120.00	0.00
Sub Total (b)	***741.89***	***942.18***	***739.82***	***652.87***	***739.72***

13. Trade Receivables

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Debts outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, considered good	406.4	355.14	399.54	485.14	137.97
unsecured, considered doubtful	0.00	0.00	0.00	0.00	0.00
Less: Allowances for bad and doubtful debts	0.00	0.00	0.00	0.00	0.00
Other debts					
Unsecured, considered good	3150.09	2206.60	2585.23	2334.91	1857.91
Unsecured, Considered Doubtful	0.00	0.00	0.00	0.00	0.00
Grand Total	***3556.49***	***2561.74***	***2984.77***	***2820.05***	***1995.88***

14. Cash and cash equivalents:

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Cash and cash equivalents:					
Cash in hand	3.35	0.89	15.71	6.25	5.64
Balances with banks					
- in current and cash credit accounts	91.10	34.29	30.79	55.60	13.74
Other Bank Balances					
- deposit accounts (with original maturity more than twelve months)	0.00	0.00	0.00	0.00	0.00
Less : Amounts disclosed as other non-current assets (refer note 11)	0.00	0.00	0.00	0.00	0.00
**** Cash and bank balances which are under restriction:***					
Fixed deposits with banks held as margin money for letter of credits, bank guarantees, working capital facilities and buyers credit	108.36	101.61	119.00	127.06	91.69
Fixed deposits with banks held as margin money for term loan	22.32	22.31	20.67	19.12	35.39
Fixed deposits lodged with banks for issue of guarantees in favour of sale tax authorities	0.00	0.00	0.00	0.00	0.00
Fixed deposits with banks held as margin money for assets taken on lease	0.00	0.00	0.00	0.00	0.00
Fixed deposits with banks held till security perfection	0.00	0.00	0.00	0.00	0.00
Cash and bank balances which are not under restriction	0.00	0.00	0.00	0.00	0.00
Grand Total	***225.13***	***159.10***	***186.17***	***208.03***	***146.46***

15. Short Term Loan and Advances (Unsecured, Considered goods, unless otherwise stated)

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Advances to related parties	0.00	0.00	0.00	0.00	0.00
Advances to suppliers	761.11	1466.34	739.87	0.00	0.00
Advances recoverable in cash or in kind	52.86	21.81	24.48	38.60	11.54
Security deposits					
-to related parties	0.00	0.00	0.00	0.00	0.00
-to others	153.60	34.35	26.51	20.72	23.83
Prepaid Expenses	41.77	4.93	20.77	5.58	4.38
Advance tax (net of provision for tax)	19.53	35.20	30.08	28.03	50.48
Other recoverable	48.68	60.47	45.21	69.15	60.17
Grand Total	***1077.55***	***1623.10***	***886.92***	***162.08***	***150.40***

16. Other Current Assets

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Sales Tax Incentive Receivable	0.00	0.00	0.00	57.33	57.33
Power Incentive Receivable	0.00	0.00	0.00	4.47	4.47
Stamp Duty Incentive Receivable	0.00	0.00	0.00	0.00	3.27
Grand Total	***0.00***	***0.00***	***0.00***	***61.80***	***65.07***

17. Revenue from Operations

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Sale of Product (mfg, Goods)	12485.43	11346.34	10444.13	7985.33	5508.27
Sale of Product (Trading Goods)	0.00	45.59	299.38	1347.27	2221.16
Service Income	293.01	451.90	363.97	290.37	172.41
Revenue from Operations (Net)	***12778.44***	***11843.83***	***11107.48***	***9622.97***	***7901.84***

(Figures in Rs. Lacs)

Revenue breakup	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Domestic Revenue	12,215.01	10,480.16	9,528.50	8,419.01	7,202.87
Direct Export Revenue	32.58	24.79	78.03	7.28	61.97
Deemed Exports Revenue	530.85	1,338.88	1,500.95	1,196.68	636.99
Revenue from Operations (Net)	***12778.44***	***11843.83***	***11107.48***	***9622.97***	***7901.84***

(Figures in Rs. Lacs)

Gepgraphical breakup of Export Revenue	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Sri Lanka	32.02	--	9.74	0.21	3.16
UAE	0.56	--	--	--	--
Bangladesh	--	24.79	--	--	--
Nepal	--	--	68.29		0.19
Turkey	--	--	--	7.06	58.20
Egypt	--	--	--	--	0.42
Deemed Exports	530.85	1,338.88	1,500.95	1,196.68	636.99
Total Export Revenue	***563.43***	***1,363.67***	***1,578.98***	***1,203.96***	***698.96***

18. Other Income

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Other Income	10.94	11.43	39.70	7.70	11.66
Net Restated Profit Before Tax	1227.48	527.44	482.65	405.90	410.05
% of other income w.r.t net profit before tax	0.89	2.17	8.23	1.90	2.84
Revenue from Other Income (Net)	***1238.42***	***538.87***	***522.35***	***413.60***	***421.71***

a) Breakup of Other income

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Interest income on deposits with banks	8.80	11.01	15.89	7.74	12.49
Profit on disposal of fixed assets (net)	0.48	0.00	5.61	0.00	0.00
Foreign exchange fluctuation (net)	1.55	-0.09	2.57	-0.16	-4.14
Stamp duty Reimbursement	0.00	0.00	0.00	0.00	3.27
Creditors Written off	0.00	0.00	15.63	0.00	0.00
Income from Mutual Funds	0.11	0.00	0.00	0.00	0.00
Duty Draw Back	0.00	0.00	0.00	0.12	0.04
Discount Received	0.00	0.51	0.00	0.00	0.00
Grand Total	***10.94***	***11.43***	***39.70***	***7.70***	***11.66***

19. Cost of Material Consumed:

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Opening Stock					
Raw Material	994.36	739.62	464.72	582.90	738.44
Stores, spares and other consumables	218.34	371.10	509.97	304.35	0.00
Packing material	18.14	0.00	0.00	0.00	0.00
Additions: Purchase During Year	**9126.06**	**7265.79**	**6732.12**	**4609.90**	**3829.59**
Additions: Trading Purchase During Year	**0.00**	**44.78**	**280.52**	**1317.51**	**2043.81**
Break up of Closing Stock					
a) Raw Material	1555.29	994.36	739.62	464.72	582.89
b) Stores, spares and other consumables	359.14	218.34	371.10	509.97	304.35
c) Packing Material	65.12	18.14	0.00	0.00	0.00
Consumption of (mfg Goods)	**8377.35**	**7145.67**	**6596.09**	**4522.46**	**3680.78**
Consumption of (Trading Goods)	***0.00***	***44.78***	***280.52***	***1317.51***	***2043.81***

a) Details of Purchase of Raw Material and Spares

(Figures in Rs. Lacs)

Particulars	31st March 2018		31st March 2017		31st March 2016		31st March 2015		31st March 2014	
	Qty In Tons	Amount	Qty In Tons	Amount	Qty In Tons	Amount	Qty In Tons	Amount	Qty In Tons	Amount
GP Coil / GI Sheets	7664.16	4,173.07	2491.45	2,388.86	10214.01	2,350.54	78.13	1,346.22	2690.16	1,479.59
SS Coil / SS Sheets	187.49	317.04	58.33	95.3	977.93	1,112.21	299.52	614.02	264.19	581.21
HR Coil / HR Sheets	2478.56	841.38	556.24	183.32		-		-		-
MS Sheets	1394.19	503.78	128.33	56.68	4020.42	1,453.95	5585.76	2,123.37	5418.75	2,550.95
CR Coil / CR Sheets	1901.22	802.77	5781.16	2,068.82		-		-		

Puf	98.48	196.18	108.94	146.88		-		-		
Other		2,291.84		2,370.71		2,095.94		1,843.80		1,261.65
		9,126.06		**7,310.57**		**7,012.64**		**5,927.41**		**5,873.40**

20. Change in Inventories of Finished Goods and Work In Progress

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Opening Stock					
Work In Progress	943.64	938.52	947.18	909.95	515.64
Finished Stock	942.18	739.82	652.87	739.72	362.27
Sub total (a)	***1885.82***	***1678.34***	***1600.05***	***1649.67***	***877.91***
Closing Stock					
Work In Progress	1585.85	943.64	938.52	947.18	909.95
Finished Stock	741.89	942.18	739.82	652.87	739.72
Sub total (b)	***2327.74***	***1885.82***	***1678.34***	***1600.05***	***1649.67***
Grand Total (a-b)	***-441.92***	***-207.48***	***-78.29***	***49.62***	***-771.76***

21. Employee Benefit Expenses

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Salary, wages and bonus	953.42	837.27	772.68	726.68	462.94
Contribution to provident and other funds	57.29	55.96	66.58	53.02	46.65
Staff welfare expenses	57.16	37.09	36.58	15.10	15.45
Grand Total	***1067.87***	***930.32***	***875.84***	***794.80***	***525.04***

22. Finance Cost

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Interest on Term Loan	200.70	91.26	8.76	23.98	41.31
Bank Charges	60.07	50.12	41.96	30.73	23.94
Interest on Duties & Taxes	7.16	8.95	7.10	3.67	2.00
Other borrowing costs	377.05	325.73	292.81	253.71	168.06
Less: Borrowing costs Capitalized	-157.86	-58.91	0.00	0.00	0.00
Grand Total	***487.12***	***417.15***	***350.63***	***312.09***	***235.31***

23. Depreciation and amortization expenses

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Depreciation (also, refer note 11)	365.33	300.07	171.61	195.48	157.62
Grand Total	***365.33***	***300.07***	***171.61***	***195.48***	***157.62***

24. Other Expenses

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Power, fuel and water Charges	252.32	165.49	164.82	147.48	138.63
Job work charges	285.76	228.72	220.82	190.84	138.47
Labour Charges	187.03	133.47	38.56	135.92	86.43
Factory Maintenance	10.19	0.97	3.28	6.95	5.59
Repairs and maintenance	41.62	18.49	1.42	6.77	3.62
Loading and Unloading Charges	13.56	11.73	8.55	0.06	0.10
Spares & Consumables	0.00	0.00	0.00	34.53	16.44
Testing & inspection Charges	5.96	16.87	4.36	2.96	8.05
Advertisement	0.25	3.86	11.47	6.11	6.93
Audit Fee	4.00	4.00	2.00	2.00	2.00
Business promotion Expenses	8.72	8.61	2.21	5.24	23.05
Computer Maintenance	2.21	6.45	0.90	1.25	2.09
Conveyance	45.99	28.21	29.08	28.31	19.54
Discount allowed	4.66	5.51	12.17	1.72	4.43
Document Charges	1.65	2.63	2.88	4.60	0.08
Exhibition Expenses	0.55	1.76	0.72	3.19	19.09
Electrical Charges Admin	1.50	11.13	4.44	0.64	0.50
Free Samples	0.00	0.00	0.51	3.95	3.66
Insurance	10.71	24.33	9.05	4.45	4.32
Licence and Renewals	1.57	0.72	0.90	0.64	0.77
Octroi charges	0.00	21.30	7.09	3.99	4.04
Miscellaneous Expenses	2.92	1.75	3.67	2.06	2.69
Office Maintenance	5.95	7.51	5.33	3.23	2.38

Penalty Paid Expenses	0.20	4.10	2.02	0.00	0.00
Postage & Courier Charges	2.13	1.81	1.55	1.78	1.70
Printing and stationary	9.53	6.79	8.07	11.97	6.46
Professional Charges	38.82	25.69	27.84	30.91	18.72
Prior Period Expenses	0.00	1.57	12.27	2.62	0.00
Preliminary Expenses Written Off	1.89	0.00	0.00	0.00	0.00
Duties & Taxes	306.65	1630.69	1619.89	1213.75	947.74
Repairs & Maintenance	14.27	24.30	3.61	6.90	2.63
Rent	85.67	49.05	47.16	12.50	8.48
Telephone Charges	18.73	22.18	20.85	20.87	14.37
Tour & Travelling	57.38	58.57	66.38	53.79	55.87
Freight outward	260.27	149.29	108.53	69.10	67.23
Vehicle maintenance	21.85	18.24	15.79	10.52	15.37
Web Maintenance	1.64	1.51	0.00	0.42	1.02
Grand Total	***1706.16***	***2697.31***	***2468.19***	***2032.02***	***1632.49***

a) Breakup of Legal and Professional charges includes auditors remuneration

(Figures in Rs. Lacs)

Particulars	**As on 31st March 2018**	**As on 31st March 2017**	**As on 31st March 2016**	**As on 31st March 2015**	**As on 31st March 2014**
Audit Fee	4.00	4.00	2.00	2.00	2.00
Legal	4.15	0.60	0.61	0.56	0.36
Professional Charges	31.08	25.09	26.98	30.14	18.30
Other Certification Charges	3.59	0.00	0.25	0.21	0.06
Reimbursement of Expenses	0.00	0.00	0.00	0.00	0.00
Grand Total	***42.82***	***29.69***	***29.84***	***32.91***	***20.72***

25. Contingent Liabilities not provided for in respect of:

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Showcase cum Demand Notice from Central Excise Department	848.35	685.76	104.13	104.13	104.13
Duty Payable against Import of Machinery Under EPCG	470.44	0.00	0.00	0.00	0.00
Unexpired Letter of Credit	0.00	0.00	37.81	385.03	299.26
Unexpired Bank Guarantee	49.42	74.92	68.57	15.98	60.35
Grand Total	***1368.21***	***760.68***	***210.51***	***505.14***	***463.74***

31ST MARCH 2018

The Company received a Showcause cum Demand notice dated 06.04.2018 received on 12.04.2018 from the Office of Commissioner of Customs and Central Excise, Hyderabad –IV Commissionerate for an amount of Rs.8,48,34,828/- towards excise duty for the period from August 2008 to June 2017 on sale of Hardware items. The Company is pursuing the matter with the Department.

31ST MARCH 2017

The Company received a Showcause cum Demand notice from the Office of Commissioner of Customs and Central Excise, Hyderabad –IV Commissionerate for an amount of Rs.6,85,76,312/- towards Excise duty for the period from August 2008 to March 2016 on sale of Hardware items. The Company is pursuing the matter with the Department.

31ST MARCH 2016

The Company received a Showcause cum Demand notice from the Office of Commissioner of Customs and Central Excise, Hyderabad –IV Commissionerate for an amount of Rs.1,04,12,496/- towards Excise duty for the period from July 2008 to January 2012 on sale of Hardware items. The Company is pursuing the matter with the Department.

31ST MARCH 2015

The Company received a Showcause cum Demand notice from the Office of Commissioner of Customs and Central Excise, Hyderabad –IV Commissionerate for an amount of Rs.1,04,12,496/- towards Excise duty for the period from July 2008 to January 2012 on sale of Hardware items. The Company is pursuing the matter with the Department.

31ST MARCH 2014

The Company received a Showcause cum Demand notice from the Office of Commissioner of Customs and Central Excise, Hyderabad –IV Commissionerate for an amount of Rs.1,04,12,496/- towards Excise duty for the period from July 2008 to January 2012 on sale of Hardware items. The Company is pursuing the matter with the Department.

26. Related Party Disclosures

Associates in which the Directors and their relatives exercise significant influence:

Sl No	Name of the Company / Firm
1	Bluefence Systems Pvt Ltd
2	Vibrant Technologies India Pvt Ltd
3	Sree Laxmi Industries
4	Mettle Engineers
5	Akarsh Marketing Pvt Ltd
6	Shantha Biotechnics Pvt Ltd
7	Diabetomics Medical Pvt Ltd
8	Evertogen Lifesciences Ltd
9	Ahlada Marketing Pvt Ltd
10	Ripple Construction Products Pvt Ltd
11	M Annapurna (Wife of Director Sri M R Vikram)
12	K.Chandrahas Reddy

Key Managerial Personnel:-

Sl No	Name of the Person	Designation	Relation
1	Ch Suresh Mohan Reddy	Managing Director	NA
2	K Rajasekhar Reddy	Whole Time Director	NA
3	K Vinod Kumar Reddy	Whole Time Director	NA
4	K Bala Gangadhar Reddy	Whole Time Director	NA
5	N Sukruta Kumar	Whole Time Director	NA
6	A Narasimha Rao	Chief Financial officer	N/A
7	P Kodanda Rami Reddy	Company Secretary & Compliance Officer	NA

(Figures in Rs. Lacs)

Name	Relationship	Nature of Transaction	Amount of Transaction in 2017-18	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction in 2016-17	Amount Outstanding as on 31.03.2017 (Payable)/ Receivable	Amount of Transaction in 2015-16	Amount Outstanding as on 31.03.2016 (Payable)/ Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable
Bluefence Systems Pvt Ltd	Common Director	Purchase	79.17	--	53.75	--	64.57	-	50.18	-	--	--
		Sale	2.27	--	--	--	--	--	--	--	--	--
		Payable	--	76.34	--	44.66	--	40.91	--	39.21	--	--
Sree Laxmi Industries	Managing Director is the Proprietor	Purchase	0.98	--	--	--	--	--	--	--	--	--
		Sale	--	--	--	--	--	--	15.23	--	--	--
		Receivable	--	--	--	--	--	--	--	15.23	--	--
Mettle Engineers	Director is the Proprietor	Purchase	0.98	--	--	--	--	--	--	--	--	--
		Sale	--	--	--	--	--	--	13.55	--	--	--
		Receivable	--	--	--	--	--	--	--	8.55	--	--
Glochem Industries Ltd	Common Director	Sale	--	--	--	--	--	--	0.27	--	--	--
Shantha Biotechnical Ltd	Common Director	Sale	101.25	--	128.35	--	173.22	--	68.26	--	33.30	--
		Receivable	--	1.90	--	27.03	--	11.49	--	18.66	--	3.34
Ahlada Marketing Pvt Ltd	Common Director	Purchase	13.17	--	--	--	--	--	--	--	--	--
		Sale	7.03	--	13.51	--	--	--	--	--	--	--
		Receivable	--	54.11	--	4.05	--	--	--	--	--	--
		Advance Paid	64.00	--	--	--	--	--	--	--	--	--
Akarsh Marketing Pvt Ltd	Common Director	Sale	0.73	--	--	--	--	--	--	--	--	--
		Receivable	--	0.73	--	--	--	--	--	--	--	--
Vibrant Technologies India Pvt Ltd	Common Director	Purchase	221.68	--	86.25	--	--	--	--	--	--	--
		Sale	171.10	--	4.63	--	--	--	--	--	--	--
		Payable	--	0.50	--	37.28	--	--	--	--	--	--
		Service	0.58	--	--	--	--	--	--	--	--	--
		Advance Paid	14.14	--	--	--	--	--	--	--	--	--
	Common Director	Sale	264.42	--	91.85	--	--	--	--	--	--	--

Diabetomics Medical Pvt. Ltd.		Receivable	--	0.20	--	1.50	--	--	--	--	--	--
		Service	19.36	--	--	--	--	--	--	--	--	--
Evertogen Lifesciences Ltd	Common Director	Sale	0.12	--	5.79	--	--	--	--	--	--	--
		Receivable	--	--	--	0.01	--	--	--	--	--	--
Ripple Constructions Products Pvt Ltd	Common Director	Purchase	--	--	0.51	--	--	--	--	--	--	--
		Sale	--	--	0.38	--	--	--	--	--	---	--
		Payable	--	---	--	0.03	---	--	---	--	--	--
M Anna Purna	W/o of Director	Payable	-	8.78	-	6.30	-	1.05	-	-	-	-
		Service	12.00	-	12.00	-	14.80	-	13.48	-	6.74	-
Ch Suresh Mohan Reddy	Common Director	Payable	-	495.39	--	114.77	--	341.19	--	84.73	--	75.71
		USL ('R)	1464.05	--	663.15	--	742.75	--	330.80	--	80.82	--
		USL (P)	1,091.30	--	891.07	--	484.33	--	323.35	--	5.62	--
		Remuneration	42.00	-	42.00	-	42.00	-	42.00	-	14.00	-
K Rajasekhar Reddy	Director	Payable	-	36.17	-	79.00	-	0.45	-	0.95	-	2.50
		USL (P)	97.53	-	12.00	-	-	-	-	-	-	-
		Remuneration	42.00	-	42.00	-	42.00	-	42.00	-	12.00	-
K Vinod Kumar Reddy	Director	Payable	-	131.17	-	141.50	-	13.01	-	1.01	-	30.23
		USL ('R)	217.30	-	153.00	-	12.00	-	-	-	50.18	-
		USL (P)	227.80	-	25.00	-	-	-	-	-	21.81	-
		Remuneration	42.00	-	42.00	-	42.00	-	42.00	-	12.00	-

K Bala Gangadhar Reddy	Director	Payable	-	2.59	-	42.94	-	0.20	-	0.20	-	1.26
		USL ('R)	36.00	-	80.08	-	-	-	19.60	-	-	-
		USL (P)	75.00	-	40.00	-	-	-	19.60	-	-	-
		Remuneration	42.00	-	42.00	-	42.00	-	42.00	-	12.00	-
K Iswara Vara Prasad Reddy	Director	Payable	-	200.00	-	-	-	-	-	-	-	-
		USL ('R)	200.00	-	-	-	-	-	-	-	-	-
N Sukruta Kumar	Director	Remuneration	-	-	-	-	-	-	-	-	5.00	-

27. The information required by paragraph 5 of general information for preparation of the statement of profit and loss as per revised Schedule III of Companies act 2013:

a. Value of Imported and Indigenous raw material and components and stores and spares consumed.
b. Value of imports on CIF Basis

Particulars	31st march 2018		31st march 2017		31st march 2016		31st march 2015		31st march 2014	
	Amount (Rs. Lacs)	Percentage (%)	Amount (Rs. Lacs)	Percentage (%)	Amount (Rs. Lacs)	Percentage (%)	Amount (Rs. Lacs)	Percentage (%)	Amount (Rs. Lacs)	Percentage (%)
Raw material and components										
Imported	375.64	4.48	105.04	1.47	89.04	1.35	31.41	0.68	36.70	0.24
Indigenous	8001.71	95.52	7040.62	98.53	6507.05	98.65	4531.30	99.32	3768.02	99.76
Total	8377.35	100.00	7145.66	100.00	6596.09	100.00	4562.71	100.00	3804.72	100.00

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
a) Capital Goods	1662.74	623.20	0.00	0.00	0.00
b) Raw Materials and Components	415.04	144.95	154.55	31.41	36.70
Grand Total	***2077.78***	***768.15***	***154.55***	***31.41***	***36.70***

c. Expenditure in foreign currency (on accrual basis)

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
a) Travelling	14.46	3.18	19.45	0.00	2.93
b) Interest	0.00	0.00	0.00	0.00	0.00
c) Business Promotion	0.00	0.00	0.00	0.00	0.00
Grand Total	***14.46***	***3.18***	***19.45***	***0.00***	***2.93***

c. **Earnings in foreign exchange**

(Figures in Rs. Lacs)

Particulars	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Fob Value of Exports	32.58	24.79	78.03	7.27	68.69
Grand Total	***32.58***	***24.79***	***78.03***	***7.27***	***68.69***

28. Earnings per Share

Particulars	31st march 2018	31st march 2017	31st march 2016	31st march 2015	31st march 2014
	Amount	Amount	Amount	Amount	Amount
Net profit attributable to equity shareholders (Lacs)	809.01	327.29	305.98	258.61	264.85
Number of weighted average equity shares (Nominal value of Rs 10 each)	87.56	87.56	87.56	87.56	86.28

- Basic & Diluted	9.24	3.74	3.49	2.95	3.07
Earnings per share-after exceptional items (if any) and tax (Rs.)	9.24	3.74	3.49	2.95	3.07
- Basic & Diluted (Rs.)	9.24	3.74	3.49	2.95	3.07

29. Hedge and un-hedge foreign currency exposure

i. Hedge foreign currency exposure as at year end = NIL

ii. un-hedge foreign currency exposure as at year end

Year	Currency	Payable	Receivable
2017 – 2018	USD EURO's	192364.45 320716.60	50324.80 Nil
2016 – 2017		Nil	Nil
2015 – 2016		Nil	Nil
2014 – 2015		Nil	Nil
2013 – 2014		Nil	Nil

30. Corporate Social Responsibility:

As on 31st March, 2018:-

Section 135 of the Companies Act, 2013 and rules made there under prescribe every company having a net worth of Rs. 500 cr. or more or turnover of Rs. 1,000 crore or more or a net profit of Rs. 5 crore or more during the any financial year shall ensure that the company spends in every financial year, at least 2% of the average net profit made during the three immediately preceding financial years in pursuance of the corporate social responsibility policy. The provisions pertaining to the corporate social responsibility as prescribed under the companies Act. 2103 are applicable. The financial details as sought by the companies Act, 2013 are as follows:

Particulars	Rs. In lakhs
Average net profits of the company for last three financial years	744.97
CSR expenditure (2% of the average net profits as computed above)	14.90
Amount Spent	Nil

As on 31st March, 2017:- Not Applicable
As on 31st March, 2016:- Not Applicable
As on 31st March, 2015:- Not Applicable
As on 31st March, 2014:- Not Applicable

31. Directors Remuneration:-

Sl No	Name of the Director	Remuneration Paid in Rs. Lakhs				
		2017 - 18	2016 - 17	2015 - 16	2014 - 15	2013 - 14
1	Ch Suresh Mohan Reddy	42.00	42.00	42.00	42.00	14.00
2	K Rajasekhar Reddy	42.00	42.00	42.00	42.00	12.00
3	K Vinod Kumar Reddy	42.00	42.00	42.00	42.00	12.00
4	K Bala Gangadhar Reddy	42.00	42.00	42.00	42.00	12.00
5	N Sukruta Kumar	0.00	0.00	0.00	0.00	5.00
Total		**168.00**	**168.00**	**168.00**	**168.00**	**55.00**

32. Accounting for taxes on income

Deferred income Tax

Income Tax and deferred tax asset/ liability are not being provided on restated standalone financials as there is no impact over the period.

For and on behalf of Board

Ch. Suresh Mohan Reddy
Managing Director
DIN No: 00090543

P. Kodanda Rami Reddy
Company Secretary
(Membership No: A45822)

M/s. Kishore & Venkat Associates
Chartered Accountants
Firm Regn. No: 001807S

K. Vinod Kumar Reddy
Whole Time Director
DIN No: 01696085

A. Narasimha Rao
Chief Financial Officer

(M V Ramana Reddy)
Partner
M.No: 026845

Place: Hyderabad

Date: 09-05-2018

Annexure – VI: State of Adjustments to Audited Standalone Financial Statements

Summarized below are the restatement adjustments made to the audited financial statements for the financial year ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 and their impact on the profit / (loss) of the Company

(Figures in Rs. Lacs)

Particulars	Notes	As on 31st March 2018	As on 31st March 2017	As on 31st March 2016	As on 31st March 2015	As on 31st March 2014
Net profit after tax as per the audited standalone financial statements (A)		807.44	316.59	315.63	261.23	263.53
Restatement Adjustments		-----	-----	-----	-----	-----
i) Impact of audit qualifications		-----	-----	-----	-----	-----
On account of mark to market losses on derivative contracts		-----	-----	-----	-----	-----
On account of foreign exchange fluctuation losses on foreign currency monetary items		-----	-----	-----	-----	-----
ii) Other adjustments						
Impact of recognition of adjustments in respective financial years arising on account of prior period expenses and taxes		1.57	10.70	(9.65)	(2.62)	1.32
Reversal of prior period expenses (net) in audited financial statements		-----	-----	-----	-----	-----
Prior period taxes		-----	-----	-----	-----	-----
Minimum Alternate Tax (MAT) credit entitlement for earlier years		-----	-----	-----	-----	-----
iii) Tax impact on the above adjustments		-----	-----	-----	-----	-----
Deferred tax (asset) / liability recognized (other than impacts already considered in prior period taxes)		-----	-----	-----	-----	-----
Total Impact of Adjustments (B)		**1.57**	**10.70**	**(9.65)**	**(2.62)**	**1.32**
Net profit after tax as per restated financial statements (A-B)		809.01	327.29	305.98	258.61	264.85

Notes to above adjustments:-

(i) Adjustments to audit Qualifications = NIL

(ii) Other Adjustments

a. Reversal of Prior period expenses in audited financial statements

In the financial statements for the financial years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 certain prior period items were discovered in reporting periods as a result of errors and omissions in the preparation of financial statements of the respective years. For the purpose of Restated Standalone Financial Information, the said prior period items have been appropriately adjusted in the respective financial year to which they relate

Particulars of Prior Period Items adjusted to respective period

(Figures in Rs. Lacs)

Nature of the transactions	Related to Financial Years				
	2017 – 18	2016 - 17	2015 – 16	2014 - 15	2013 – 14*
Legal and professional fees	0.22	(0.22)	1.45	(1.45)	----
Telephone Expenses	---	0.09	(0.09)	----	0.06
Erection Charges	0.83	(0.83)	----	----	----
Door Testing Charges	---	11.80	(11.80)	----	----
Tour & Travel expenses	---	----	0.14	(0.14)	0.67
Employee benefit expenses	---	----	----	----	0.17
Electricity Charges	---	0.08	(0.08)	----	0.06
Conveyance	---	0.02	1.01	(1.03)	0.20
Octroi Charges	0.09	(0.09)	----	----	----
Office Maintenance	---	0.15	(0.15)	----	0.07
Repairs & Maintenance	---	----	----	----	0.03
Spares & Consumables	---	----	----	----	0.05
Factory Maintenance	0.40	(0.39)	----	----	0.01
Rent	0.03	0.11	(0.13)	----	----

** adjusted with brought forward surplus in the statement of profit and loss account*

b. Prior period taxes

In the financial statements for the financial years ended 31 March 2018, 31 March 2017,31 March 2016 31 March 2015 and 31 March 2014 certain deferred tax adjustments were made in reporting periods in relation to previous periods as a result of errors and omissions in the preparation of financial statements of one or more prior periods.

(iii) Material regroupings

Appropriate adjustments have been made in the Restated Standalone Financial Information, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended) and as per the audited financials of the Company for the year ended 31 March, 2018 prepared in accordance with the Schedule III of the Companies Act, 2013.

(iv) Surplus in restated standalone statement of profit and loss account as on 01 April 2014

(Figures in Rs. Lacs)

	As at 31 March 2013
Balance as at 31 March 2013 as per audited financial statements	875.87
(i) Impact of audit qualifications	---
a) On account of mark to market losses on derivative contracts	--
b) On account of foreign exchange fluctuation losses on foreign currency monetary items	---
(ii) Restatement adjusted to give effect to profits for the periods prior to financial years ended 2013-14	-1.32
Reversal of prior period expenses (net) in audited financial statements	---
Prior period taxes	---
Impact of recognition of adjustments in respective financial years arising on account of prior period expenses and taxes	---
Minimum Alternate Tax (MAT) credit entitlement for earlier years	---
(iii) Tax impact on the above adjustments	---
Deferred tax (asset)/liability recognized (other than impacts already considered in prior period taxes)	---
Total impact of adjustments	---
Opening balance as at 01 April 2014 as restated	874.55

(v) Modifications in the auditor's report and statements/comments included in the Annexure to the Audit Report on the Audited Financial Statements of the Company for the years ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 which do not require any corrective adjustments in the Restated Standalone Financial Information are as follows

i. Financial Year ended 31 March 2018- NIL

ii. Financial Year ended 31 March 2017

ii.a In respect of classification between specified bank notes and other denomination notes

The Company has made requisite disclosures in notes to the audited financial statements regarding holdings as well as dealings in specified bank notes during the period from 08 November 2016 to 30 December 2016. However, as stated in notes to the audited financial statements (an extract of which is given below), the Company was unable to appropriately classify between specified bank notes and other denomination notes of "permitted receipts/ non permitted receipts" and "permitted payments/ non permitted payments"

Extract of the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016 from the audited financial statements for the year ended 31 March 2017:

	SBN's	**Other denomination notes & coins**	**Total**
Closing cash in hand as on	4,00,000	6,81,918	10,81,918
(+) Permitted receipts	---	2,65,702	2,65,702
(+) Cash withdrawn from banks	---	3,24,000	3,24,000
(-) Permitted payments		10,73,538	10,73,538
(-) Amount deposited in banks	4,00,000	---	4,00,000
Closing cash in hand as on		1,98,082	1,98,082

For the purpose of this note, the term Specified Bank Notes (SBN), shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016.

Annexure – VII, Restated Standalone Statement of Accounting Ratios
(All Amounts in Rupees Lakhs unless stated otherwise)

	Particulars	31st March 2018	31st March 2017	31st March 2016	31st March 2015	31st March 2014
	Net profit after tax, as restated	809.01	327.29	305.98	258.61	264.85
	Weighted average number of equity shares outstanding during the Year	87.56	43.78	43.78	43.78	42.50
	Number of shares outstanding at the end of the year	87.56	43.78	43.78	43.78	43.78
	Net Worth before preliminary expenses written off	3647.69	2840.25	2523.66	2208.03	1946.81
	Less: Preliminary expenses not written off	7.56	0.00	0.00	0.00	0.00
	Net Worth	***3640.13***	***2840.25***	***2523.66***	***2208.03***	***1946.81***
	Earnings Per Share					
	Basic & Diluted	***9.24***	***3.74***	***3.49***	***2.95***	***3.07***
	Return on net worth (%) (B/A)	***22.22%***	***11.52%***	***12.12%***	***11.71%***	***13.60%***
	Net assets value per share of (Rs.)	***41.57***	***64.88***	***57.64***	***50.43***	***44.47***
	Face value (Rs)	10.00	10.00	10.00	10.00	10.00

Notes:- Ratios have been calculated as stated below:

Basic and Diluted Earnings Per Share (EPS) (Rs.) = Restated Profit after Tax available to equity Shareholders / Weighted Average Number of Equity Shares at the end of the year / period

Return on Net Worth (%) = Restated Profit after Tax available to equity Shareholders / Restated Net Worth of Equity Shareholders

Net Asset Value per equity share (Rs.) = Restated Net Worth of Equity Shareholders / Number of Equity Shares outstanding at the end of the year / period

Earnings per shares (EPS) calculation is in accordance with the notified Accounting Standard 20 "Earnings per share" specified under section 133 of Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

The amounts disclosed above are based on the Restated Standalone Financial Information of the Company.

Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weight factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account as per the Restated Standalone Statement of Assets and Liabilities of the Company.

Annexure – VIII, Restated Standalone Statement of Capitalization
(All Amounts in Rupees Lakhs unless stated otherwise)

Capitalization Statement as 31st March 2018

Particulars	Pre Issue	Post Issue At the lower end of the Price band of ₹ 147	Post Issue At the upper end of the Price band of ₹ 150
Borrowings			
Short term debt (A)	3508.92	3508.92	3508.92
Long Term Debt (B)	2430.14	2430.14	2430.14
Total debts ('C)	5939.06	5939.06	5939.06
Shareholders' funds			
Equity share capital	875.60	1292.10	1292.10
Reserve and surplus - as restated	2772.09	8455.34	8557.49
Total shareholders' funds	***3647.69***	***9747.44***	***9849.59***
Long term debt / shareholders' funds	***0.67***	***0.25***	***0.25***
Total debt / shareholders' funds	***1.63***	***0.61***	***0.60***

Notes:

(i) *Short-term borrowings and current maturities of long term borrowings are debts which are due for repayment within 12 months from 31 March 2018.*

(ii) *Long-term borrowings are considered as borrowings other than short-term borrowings and excludes current maturities of long term borrowings.*

(iii) *The amounts disclosed above are based on the Restated Standalone Financial Information of the Company.*

Annexure – IX, Restated Standalone Statement of Tax Shelter
(All Amounts in Rupees Lakhs unless stated otherwise)

	Particulars	31st March 2018	31st March 2017	31st March 2016	31st March 2015	31st March 2014
	Restated Profit before tax (A)	1227.48	527.44	482.65	405.90	410.05
	Tax Rate (%)	34.61%	33.06%	30.90%	30.90%	30.90%
	MAT Rate	20.39%	20.39%	20.39%	20.01%	20.01%
	Adjustments:					
	Permanent Differences(B)					
	Disallowance u/s 37	0.469	11.474	22.865	10.247	19.061
	Interest on late payment of TDS/IT.others	7.155	8.947	7.099	3.666	2.003
	Total Permanent Differences(B)	***7.624***	***20.421***	***29.964***	***13.912***	***21.064***
	Timing Differences ('C)					
	Preliminary Exp. Disallowed					
	Preliminary Exp. Allowed					
	Difference between tax depreciation and book depreciation	(151.099)	10.486	(15.308)	42.210	(7.695)
	Less: Set off of Depreciation					
	Brought forward losses set off					
	Timing Differences ('C)	***(151.099)***	***10.486***	***(15.308)***	***42.210***	***(7.695)***
	Net Adjustments D = (B+C)	***(143.474)***	***30.907***	***14.656***	***56.122***	***13.369***
	Incomes Considered Separately					
	Taxable Income/(Loss) (A+D)	***1084.005***	***558.346***	***497.307***	***462.023***	***423.422***
	Restated Profit for The Purpose of MAT	***1227.480***	***527.439***	***482.652***	***405.901***	***410.053***
	Less: Adjustment related to Depreciation					
	Add: Amounts Written Back					
	Taxable Income/(Loss) as per MAT	***1227.480***	***527.439***	***482.652***	***405.901***	***410.053***
	Income Tax as per restated financials	***375.153***	***184.606***	***164.425***	***164.179***	***147.797***
	Income Tax as returned/computed	***375.153***	***185.125***	***168.481***	***165.029***	***147.797***
	Tax Impact	***(0.000)***	***(0.519)***	***(4.056)***	***(0.850)***	***0.000***
	Tax paid as per normal or MAT	***Income Tax***	***Income Tax***	***Income Tax***	***Income Tax***	***Income Tax***

Notes:

(i) The permanent/ timing differences for the years ended 31 March 2018, 31 March 2017, 2016, 2015 and 2014 have been computed based on the acknowledged copies of Income-tax returns of the respective years.

(ii) Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned

Annexure X: Restated Standalone Statement of Dividend:-
(All Amounts in Rupees Lakhs unless stated otherwise)

There have not been any dividends paid by the Company during the past five years.

As on 31st March, 2018:- NIL
As on 31st March, 2017:- NIL
As on 31st March, 2016:- NIL
As on 31st March, 2015:- NIL
As on 31st March, 2014:- NIL

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements included in this Red Herring Prospectus, prepared in accordance with the Companies Act, Indian GAAP and the SEBI (ICDR) Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section "Financial Statements" beginning on page 151. Unless otherwise stated, financial information used in this section is derived from the Restated Standalone Financial Statements.

Indian GAAP differs in certain material respects from Ind AS, U.S. GAAP and IFRS. We have not attempted to quantify the impact of Ind AS, U.S. GAAP or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to Ind AS, U.S. GAAP or IFRS.

Accordingly, the degree to which the Restated Financial Statements included in this Red Herring Prospectus will provide meaningful is entirely dependent on the reader's level of familiarity with Indian accounting practices presently applicable to the Company.

This discussion contains certain forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections "Forward Looking Statements" and "Risk Factors" on pages 14 and 15 respectively.

Overview

Our Company is in the business of manufacturing steel doors and windows (steelframe) and we cater to customers across various segments and industries. We currently have our facilities spread across 3 manufacturing units in addition to one assembling unit and stock yard, with an area admeasuring 34,211 square yards on the outskirts of Hyderabad. Additionally, we are also in the business of manufacturing cleanroom equipment for our customers in the pharmaceutical, biotechnology and food industries.

Established in 2005, we started commercial operations in February 2006 with manufacturing of cleanroom equipment and furniture. Further in the year 2008, we started manufacturing steel doors which catered to the then existing customers of cleanroom equipment and furniture. Gradually we started expanding the customer base for our products manufactured to healthcare, entertainment and real estate vertical as well.

We have been gradually expanding our manufacturing facilities and have over the past decade, expanded the facilities to its current form and capacity. Presently, we have a capacity to manufacture 11,000 doors per month. The facilities to manufacture clean room equipment and furniture and windows is inter-operable, and hence, capacities for the same cannot be conclusively determined.

With nearly a decade of experience in making steel doors and windows, we have developed in-house expertise in the process of manufacturing our product range, i.e. steel doors, windows and clean room equipment, and our in-house research team contributes in fine-tuning our products, its look and finish to suit the requirements of our customers, which in turn has carved a niche for our Company's products. Our in-house research and design team also constantly update the product designs as per client requirements and also make changes to improve efficiency.

In order to expand our business and customer base, we have on August 22, 2017, entered into a Master Manufacturing and Supply Agreement (MMSA) with Tata Steel Limited (TSL), whereby TSL has assured offtake of doors manufactured and shall work with us to improve process and line efficiency. We consider this alliance with Tata as one of our biggest strengths. The salient features of this MMSA are as detailed below:

Pursuant to the said Agreement, our Company is manufacturing and supplying steel doors of decorative, wood finished, RAL colour, to be used for independent house building and/or steel doors of decorative and wood finished, RAL colour for external door/ internal door / toilet door to be used in housing, residential and commercial sector and other related parts for Tata and under the brand name of Tata and /or as directed by Tata from time to time ("**Product**").

Key terms of the Agreement are set out below:

Term – the Agreement is valid for an initial term of 48 months from the date of signing, and may be extended for an additional period of 11 months (Extension Period). The Agreement may be renewed by executing a fresh agreement on mutually acceptable terms for another 4 years (Renewed Period).

Non-Exclusivity - Tata reserves the right to manufacture the Product for itself and or to purchase the Product and similar products from any other party, provided, in the event it is considering qualification of an additional manufacture in any other part of India, other than northern regions of India (J&K, Himachal Pradesh, Punjab, Uttarakhand, Haryana, Uttar Pradesh, New Delhi, Rajasthan and Chandigarh), Tata shall notify in writing and our Company shall have the opportunity to make a first proposal for such qualification within 60 days of receipt of such request.

Orders and Minimum offtake – our Company shall provide the Products as per purchase orders issued from time to time and Tata has committed to order minimum quantity of 11.75 lac doors during the term of the agreement.

Price: the price shall be as set out in the Agreement, which shall be revised and mutually agreed to in writing every 3 months from the date of last product addendum.

Cost Improvement – our Company and Tata shall jointly endeavour to identify cost reduction opportunities with the objective to reduce the net price of the Product by a minimum percentage to be mutually agreed. Our Company shall pass on all cost improvements achieved during the term of the Agreement to Tata.

Manufacturing standards and quality assurance - the quality standards shall be in accordance with the quality specifications set out in the Agreement and the manufacture and supply of Products shall be strictly in accordance with the applicable laws, quality specifications, quality assurance, trademark usage and other requirements instructed by Tata.

Rejection of Product – Tata may reject any non-complying product by providing notice of rejection to our Company within 180 days following receipt of dispatch of Products, however, no time restriction shall be applicable for notice of rejection of any shipment where (i) defects are discovered by Tata's customers or the end-users of the Products or (ii) breach by our Company of any of the representation and warranties set out in the Agreement.

Intellectual Property – Tata is the sole owner of the Product and owns or has rights to all intellectual property relating to the Product, except for patents, technology and know-how owned or controlled as of the date by our Company. All materials, inventions, concepts, Product variations, improvements, know-how, trademarks, copyrights, information, data, writings and other property in any form, including the brand name "Pravesh" and other names , logos, graphics, marks, designs, patents and/or trademarks etc. that may require our Company to use, insert, impress, design etc. which is provided to our Company on behalf of Tata or used by us with respect to performance of obligations under the Agreement, and which is owned by Tata prior to being provided to Tata, and any improvements thereto, shall remain the property of Tata and Tata grants our Company a non-exclusive right to use such property solely for the purpose of giving effect to the Agreement. Additionally, any improvements or modifications to such property and any creative ideas, proprietary information, inventions etc. shall be the exclusive property of Tata.

Termination – (i) either party may terminate the Agreement immediately upon a written notice to the other party in the event of a material breach which remains uncured for 90 calendar days (ii) Tata may terminate the Agreement in the event of breach of anti-bribery / anti-corruption representation by our Company (iii) either party may terminate the Agreement in the event the other party becomes insolvent (iv) Tata may terminate the Agreement in the event of any alteration in the charter of our Company and any direct/indirect change in ownership or control or corporate reorganization (v) Tata may terminate the Agreement by giving 6 months prior notice to our Company for any or no reason.

Exclusivity – during the term of the Agreement and for a period of 1 year after the expiry or termination of the Agreement, our Company shall not manufacture, supply or otherwise distribute, sell for a third party whether directly or indirectly in the territory (as defined in the Agreement), without the prior written consent of Tata, any Product identical or similar to the Product specified in the Agreement. However, post termination of the Agreement, our Company may manufacture, supply of distribute or sell any

identical or similar product under our own brand name, provided such activity is not directly or indirectly conducted with any direct competitor of Tata.

Additionally, our Company manufactures and supplies steel doors and windows to other industrial customers (other than Tata Steel Limited and the products manufactured and supplied to TSL) as well.

Our revenues and profitability for the last three years is depicted below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Revenues from operations	12,778.44	11,843.83	11,107.48
EBIDTA	2,079.93	1,244.66	1,004.84
Profit after tax	809.01	327.29	305.98

Revenue Break-up

a) Our revenue break up on the basis of our top 5 and top 10 customers for the last (3) three Fiscals is provided below:

(₹ in lacs)

Particulars	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	Amount	%	Amount	%	Amount	%
Top 5	6169.46	48.24	2176.69	18.39	2485.81	22.38
Top 10	7370.56	57.63	2900.57	24.49	3314.66	29.84

b) Our revenue break up on the basis of the products manufactured by our Company for the last (3) three Fiscals is provided below:

(₹ in lacs)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Clean Room Equipment	3,143.80	6,443.18	7,424.34
Steel Doors	8,945.42	4,997.19	3,363.28
Steel Windows	689.21	403.46	319.86
Grand Total	**12,778.44**	**11,843.83**	**11,107.48**

c) Our revenue break up categorized as on the basis of the export by our Company for the last (3) three Fiscals is provided below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Domestic Revenue	12,215.01	10,480.16	9,528.50
Direct Export Revenue	32.58	24.79	78.03
Deemed Exports Revenue	530.85	1,338.88	1,500.95
Total Revenue from Operations	**12,778.44**	**11,843.83**	**11,107.48**

d) Our export revenue on the basis of the countries exported to by our Company for the last (3) three Fiscals is provided below:

(₹ in Lacs)

Particulars	Fiscal 18	Fiscal 17	Fiscal 16
Sri Lanka	32.02	--	9.74
UAE	0.56	--	--
Bangladesh	--	24.79	--
Nepal	--	--	68.29
Deemed Exports	530.85	1,338.88	1,500.95
Total Export revenue	**563.43**	**1,363.67**	**1,578.98**

Our Competitive Strengths

Our primary competitive strengths are:

1. Professional and Experienced Management team

We are a professionally managed organization that is driven by a qualified and dedicated management team, which is led by our Board of Directors. Our senior management team led by our Managing Director and other Whole-time Directors are function oriented and focussed on their respective tasks, while being

collaborative. Our management team's collective experience and capabilities enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships and respond to changes in customer preferences. We will continue to leverage on the experience of our management team and their understanding of the industry we operate in, to take advantage of current and future market opportunities. For further details, refer to the chapter titled "*Our Management*' on page 121.

2. Quality Products

Ours is a quality conscious organisation, which believes in manufacturing quality products. Led by engineering graduates, our management team is focussed on ensuring minimum defects in our products and quality certifications are only an endorsement of the robust systems and processes developed with years of experience and knowledge. Our products and processes undergo regular quality checks to ensure minimal defects. We have been accredited with ISO 9001:2015 (Quality Management system), ISO 14001:2015 (Environmental Management system) and OHSAS 18001:2007 (Occupational Health and Safety Management system) certifications from TÜV SÜD Management Service GmbH**.**

3. Assured offtake of products

While our Company was into manufacturing and selling of steel doors and clean room equipment, the agreement with Tata Steel Limited has ensured an assured offtake of our products i.e. steel doors. With the assured product offtake, our team can focus their attention on improving production and manufacturing efficiencies, ensuring quality products at reasonable prices to cater to our customers.

4. Strong customer relations with process and line improvement inputs from Tata Steel Limited

With the MMSA agreement signed with Tata Steel Limited, we receive quality inputs from TSL during the manufacturing processes, further strengthening our line processes and gives us an outside perspective. The sharing of knowledge and process and cost improvements by TSL team with us will eventually help us make wider range of excellent quality steel doors at competitive rates. The agreement with Tata is a testimony of our work ethic and quality, endorsed by a leading corporate.

5. Integrated manufacturing facility with independent storage facility

Our Company always endeavours to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the market demand. Our manufacturing units, assembling unit and stockyard are spread across an area of 34,211 square yards and is situated on the outskirts of Hyderabad. We have deployed specialized and imported machinery which is best suited to our manufacturing operations thereby enhancing our product output. We have a common godown/storage facility for finished products within a 10 km radius of our manufacturing facilities, which eases the clutter of storage at manufacturing area and helps in easy dispatch to our customers.

Significant Developments subsequent to the date of the last financial statements

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months, except as stated under:

Factors affecting our results of operations

Our business is subject to various risks and uncertainties including those discussed in the section *titled "Risk Factors"* on page 15. Among various factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Increase in staff costs;
- Intensified competition in industries/sector in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to expand our geographical area of operation;

Overview of Revenue and Expenses

Revenue and Expenses

Total Revenue

Our Total Revenue comprises of revenue from operations. Our income comprises of billings / invoices to our customers. Other Income includes interest on bank deposits and gains from foreign exchange fluctuations.

Expenditure

Our total expenditure primarily consists of cost of materials consumed, changes in inventories of finished goods and work in progress, employee benefit expenses, finance cost, depreciation and other expenses.

Staff Costs/Employee Benefit costs

Employee costs contribute to being a significant expense. Amongst other things, Employee costs include salaries, bonus, gratuity, leave encashment and staff welfare expenses.

Finance Cost

Our finance cost comprises of interest on debts, bank and other finance charges.

Depreciation and amortization expenses

Tangible and intangible assets are depreciated and amortized over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets.

Other Expenses

Our other expenses primarily include rent, electricity charges, job-work, factory maintenance, repairs, travelling and conveyance expenses, legal and professional fees, office maintenance, duties and taxes and freight amongst others.

Net profit after tax

Net Profit after tax represents the ultimate profits for a Company and its shareholders.

Results of operations for the past 3 Fiscals

Particulars	Fiscal 2018		Fiscal 2017		Fiscal 2016	
	(₹ In Lakhs)	Percentage of total revenue (%)	(₹ In Lakhs)	Percentage of total revenue (%)	(₹ In Lakhs)	Percentage of total revenue (%)
Income						
Revenue from Operations	12,778.44	99.91	11,843.83	99.90	11,107.48	99.64
Other income	10.94	0.09	11.43	0.10	39.70	0.36
Total Revenue	**12,789.38**	**100.00**	**11,855.26**	**100.00**	**11,147.19**	**100.00**
Expenses						
Cost of materials consumed	8,377.35	65.50	7,190.45	60.65	6,876.61	61.69
Changes in inventories of finished goods and work-in-progress	(441.93)	(3.46)	(207.47)	(1.75)	(78.29)	(0.70)
Employee benefits expense	1,067.87	8.35	930.32	7.85	875.84	7.86
Finance costs	487.12	3.81	417.15	3.52	350.63	3.15

Depreciation and amortization expense	365.33	2.86	300.07	2.53	171.61	1.54
Other expenses	1,706.16	13.34	2,697.30	22.75	2,468.19	22.14
Total Expenses	**11,561.90**	**90.40**	**11,327.82**	**95.55**	**10,664.58**	**95.67**
Profit before exceptional, extraordinary items and tax	1,227.48	9.60	527.44	4.45	482.60	4.33
Less: Exceptional items	0	0	0	0	0	0
Profit before tax	**1,227.48**	**9.60**	**527.44**	**4.45**	**482.60**	**4.33**
Tax expense						
- Current tax	96.51	3.22	35.41	3.09	13.35	2.91
- Deferred tax	(0.14)	0	0.89	0.08	(2.45)	(0.53)
- Earlier tax	0.00	0.00	0.00	0.00	0.05	0.00
Net profit for the year	**809.01**	**6.33**	**327.29**	**2.56**	**305.98**	**2.39**

Comparison of the financial performance of Fiscal 2018 with Fiscal 2017

Income

Revenue from Operations

Our Revenue from Operations for the Fiscal 2018 was at ₹ 12,778.44 lacs, an increase of 7.89% over the revenues of the previous Fiscal 2017. The usual growth was pursuant to normal business operations. During the year we entered into MMSA with Tata Steel Limited for manufacturing and supplying of specified steel doors, details of which are mentioned in the section "*Our Business*" on page 87.

Other Income

Our other income in the Fiscal Year ended 2018 was ₹ 10.94 Lacs which was lower by 4.30% as compared to ₹ 11.43 Lacs in Fiscal 2017.

Expenditure

Cost of materials consumed

Cost of materials consumed represents the cost of the raw materials consumed in our manufacturing operations for Fiscal 2018 was at ₹ 8,377.35 lacs as compared to ₹ 7,190.45 lacs for the previous Fiscal 2017, an increase of 16.51%. The same was attributable to the increase turnover and also to the increase in cost of materials to an extent. Materials consumed were 65.50% of the total revenue in Fiscal 2018.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress represent the difference between the opening and closing stock of finished goods and work in progress relating to our manufacturing business.

Employee Costs

Our employee costs for Fiscal 2018 were at ₹ 1,067.87 lacs as compared to ₹ 930.32 lacs in Fiscal 2017, an increase of 14.79%, primarily due to increase in manpower strength to back the increase in turnover and build the team to execute the MMSA agreement with Tata Steel Ltd. Employee costs were at 8.35% of the total revenue for Fiscal 2018.

Finance Costs

Finance costs for Fiscal 2018 (3.81% of the revenues) were ₹ 487.12 lacs vis-à-vis ₹ 417.15 lacs for Fiscal 2017,

an increase of 16.67%. The same mainly comprised of interest cost and bank charges.

Depreciation

Depreciation for Fiscal 2018 was at ₹ 365.33 lacs (2.86% of the revenues) as compared to ₹ 300.07 lacs for the previous Fiscal 2017, an increase of 21.75%. Depreciation mainly comprised on assets, including plant and machinery used for manufacturing of doors, windows and clean room equipment and furniture.

Other Expenses

Other expenses for the Fiscal 2018 was at ₹1706.16 lacs (13.34% of the revenues) as compared to ₹ 2697.30 lacs, a decrease of 36.75%, which was primarily on account implementation of Goods and Services Tax (GST) from July 01, 2017. Prior to that, turnover was inclusive of CENVAT and the same CENVAT was shown as an expense under the head duties and taxes covered herein. After GST implementation, the turnover is now disclosed net of taxes.

Profit before Tax

Profit before tax for Fiscal 2018 stood at ₹ 1227.48 lacs, an increase of 132.72% over the Profit before tax of the previous fiscal 2017 of ₹ 527.44 lacs. The same was due to increase in focus on manufacturing of doors for Tata Steel Limited, decrease in other expenses and streamlining of various processes resulting in higher PBT.

Tax Expense

Tax expense for Fiscal 2018 was at ₹ 418.47 lacs vis-à-vis ₹ 200.15 lacs for the previous Fiscal 2017, an increase of 109.07%, due to increase in profitability.

Profit after tax

Profit after tax for Fiscal 2018 was at ₹ 809.01 lacs as compared to ₹ 327.29 lacs for the previous fiscal, an increase of 147.19%, due to increase in business profitability, resulting majorly from the agreement with Tata Steel for manufacturing and supply of steel doors.

Comparison of the financial performance of Fiscal 2017 with Fiscal 2016

Income

Revenue from Operations

Our Revenue from Operations for the Fiscal 2017 was at ₹ 11843.83 lacs, an increase of 6.63% over the revenues of the previous Fiscal 2016. There was no significant jump and the increase in revenues was due to normal business operations.

Other Income

Our other income in the Fiscal Year ended 2017 was ₹ 11.43 Lacs which decreased by 71.22% from ₹ 39.70 Lacs in the Fiscal Year ended 2017. The same comprised of interest of bank deposits, and the dip is more accentuated primarily due to creditors written back to the tune of ₹ 15.63 lacs in FY 16.

Expenditure

Cost of materials consumed

Cost of materials consumed represents the cost of the raw materials consumed in our manufacturing operations for Fiscal 2017 was at ₹ 7190.45 lacs (60.65% of the revenues) as compared to ₹ 6876.61 lacs for the previous Fiscal 2016, an increase of 4.56%. The normal increase is mainly attributable to increase in top-line and increase in costs of the raw materials.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress represent the difference between the opening and closing stock of finished goods and work in progress relating to our manufacturing business.

Employee Costs

Our employee costs for the Fiscal 2017 stood at 930.32 lacs (7.85% of the revenue) as compared to ₹ 875.84 lacs in Fiscal 2016, a normal expansion of 6.22%, attributable to increase in wages in line with the inflation and rise in employee costs to retain employees.

Finance Costs

Finance costs for Fiscal 2017 were at ₹ 417.15 lacs (3.52% of the revenue) vis-à-vis ₹ 350.63 lacs for Fiscal 2016, an increase of 18.97%. The same mainly comprised of interest on loans and charges, due to increase in loan from ₹ 452.85 lacs in FY 16 to ₹ 1155.20 lacs in FY 17.

Depreciation

Depreciation for Fiscal 2017 was at ₹ 300.07 lacs (2.53% of the turnover) as compared to ₹ 171.61 lacs for the previous Fiscal 2016, an increase of 74.86%. This was mainly on addition of plant and machinery, which increased from ₹ 1,540 lacs in FY 16 to ₹ 2,325.11 lacs in FY 17.

Other Expenses

Other expenses for the Fiscal 2017 was at ₹ 2,697.30 lacs (22.75% of the revenue) as compared to ₹ 2,468.19 lacs, an increase of 9.28%, which was primarily on account of normal expansion of business activities over the previous Fiscal.

Profit before Tax

Profit before tax for Fiscal 2017 stood at ₹ 527.44 lacs, an increase of 9.29% over the Profit before tax of the previous fiscal 2016 of ₹ 482.60 lacs. The same was in line with the normal growth attributable to increase in turnover and costs.

Tax Expense

Tax expense for Fiscal 2017 was at ₹ 200.15 lacs vis-à-vis ₹ 176.62 lacs for the previous Fiscal 2016, an increase of 13.32%, due to increase in turnover and consequent profitability.

Profit after tax

Profit after tax for Fiscal 2017 was at ₹ 327.29 lacs as compared to ₹ 305.98 lacs for the previous fiscal 2016, an increase of 6.97%, due to normal increase in business turnover and profitability.

Comparison of the financial performance of Fiscal 2016 with Fiscal 2015

Revenue from Operations

Our Revenue from Operations for the Fiscal 2016 was at ₹ 11,107.48 lacs, an increase of 15.43% over the revenues of the previous Fiscal 2015. The reason for the increase was executing new orders and expansion of business operations.

Other Income

Our other income in the Fiscal Year ended 2016 was ₹ 39.70 Lacs which increased by 415.94% from ₹ 7.70 Lacs in the Fiscal Year ended 2015. This was primarily due to write-back of creditors and profit on disposal of fixed asset.

Expenditure

Cost of materials consumed

Cost of materials consumed represents the cost of the raw materials consumed in our manufacturing operations. For Fiscal 2016 was at ₹ 6,876.61 lacs (61.69% of the revenue) as compared to ₹ 5,839.97 lacs for the previous Fiscal 2015, an increase of 17.75%, in tandem with the increase in turnover.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress represent the difference between the opening and closing stock of finished goods and work in progress relating to our manufacturing business.

Employee Costs

Employee cost was at ₹ 875.84 lacs (7.86% of the revenue) in Fiscal 2016, an increase of 10.20% over the previous fiscal where the employee cost was ₹ 794.80 lacs. The usual increase is in tandem with the inflationary hikes and normal increase salaries and wages.

Finance Costs

Finance costs for Fiscal 2016 were at ₹ 350.63 lacs (3.15% of the revenue) vis-à-vis ₹ 312.09 lacs for Fiscal 2015, an increase of 12.35%. The same mainly comprised of interest on bank loans and bank charges, which was due to increase in loans from ₹ 156.34 lacs in FY 15 to ₹ 452.85 lacs in FY 2016 (availed in the latter part of Fiscal 2016).

Depreciation

Depreciation for Fiscal 2016 was at ₹ 171.61 lacs as compared to ₹ 195.48 lacs for the previous Fiscal 2015, a decrease of 12.21%. Depreciation mainly comprised on assets, including plant and machinery and IT assets such as computers and peripherals.

Other Expenses

Other expenses for the Fiscal 2016 was at ₹ 2,468.19 lacs (22.14% of the revenue) as compared to ₹ 2,032.02 lacs, an increase of 21.46%, which was primarily on account of increase in job-work charges, power bill and duties & taxes in line with the increase in turnover.

Profit before Tax

Profit before tax for Fiscal 2016 stood at ₹ 482.60 lacs, an increase of 18.67% over the Profit before tax of the previous fiscal 2015 of ₹ 406.68 lacs. The same was attributable to increase in turnover as the expenses as a percentage of revenue remained at near levels in both the fiscals.

Tax Expense

Tax expense for Fiscal 2016 was at ₹ 176.62 lacs vis-à-vis ₹ 148.07 lacs for the previous Fiscal 2015, an increase of 19.28%, due to increase in turnover and consequent profitability.

Profit after tax

Profit after tax for Fiscal 2016 was at ₹ 305.98 lacs as compared to ₹ 258.61 lacs for the previous fiscal 2015, an increase of 18.31%, due to increase in business turnover and profitability.

Total Debt

Total Debt of our Company is detailed in the section "*Financial Indebtedness*" beginning on page 234 of this Red Herring Prospectus.

Related Party Transactions

Related party transactions with our Promoter and Promoter Group Members and directors primarily relates to loans and advances, Sales, Trade Receivables and Consultation fees. For further details of such related parties

under Accounting Standard 18, please refer to the section "*Financial Statements*" beginning on page 151 of this Red Herring Prospectus.

Financial Market Risks: We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

Interest Rate Risk: Our Company is exposed to interest rate risks to the extent of our borrowings. Any future borrowings may increase our risk.

Effect of Inflation: We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Contingent Liability

As on March 31, 2018, our total contingent liability is ₹ 1,368.21 lacs, which are mentioned in the section "*Financial Statements*" beginning on page 151.

Off Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

Capital Expenditures

Our Capital expenditures are mainly related to installation of key plant and machineries, which are also detailed in the section titled "*Our Business*" on page 87, used for manufacturing of steel doors, windows and cleanroom equipment and furniture, computer systems and related peripherals, which are used by our staff for their business activities.

Reservations, Qualifications and Adverse Remarks by the statutory auditors

There are no reservations, qualifications and adverse remarks by our Statutory Auditors since incorporation.

Details of Default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution

There have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company for the Fiscal Years ended 2014, 2015, 2016, 2017 and 2018.

However there have been certain delays in payments of statutory dues, details of which are mentioned in the section titled "*Outstanding Litigation and Material Developments*" beginning on page 243.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, since incorporation**.**

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. ***Unusual or infrequent events or transactions***

   As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

2. ***Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Apart from the risks as disclosed under Section "*Risk Factors"* beginning on page 15 in the Red Herring Prospectus, there are no significant economic changes that may materially affect or likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section "*Risk Factors"* beginning on page 15 of this Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Future changes in relationship between costs and revenues

Our Company's future costs and revenues will be determined by demand/supply situation, both of the end products as well as the raw materials, government policies and budget constraints of our customer(s).

5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

Increases in revenues are by and large linked to increases in volume of business and also to an extent price realisation on our products.

6. Status of any publicly announced New Products or Business Segment

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

7. Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our business is limited to a manufacturing of steel doors, windows and clean room equipment and is a single reportable segment. Details of the industry turnover and other relevant information is disclosed in the section "*Industry Overview*" beginning on page 81 of this Red Herring Prospectus.

8. Seasonality of business

Our Company's business is not seasonal in nature.

9. Any Major Dependence on a single or few suppliers or customers

The % of contribution of our Company's customer vis-à-vis the total revenue from operations respectively as on Fiscal 2018 and Fiscal 2017 is as follows:

Particulars	**Top Customers as a % of revenues**	
	Fiscal 2018	**Fiscal 2017**
Top 5	**48.24**	**18.39**
Top 10	**57.63**	**24.49**

10. Competitive conditions:

Competitive conditions are as described under the chapters "*Industry Overview*" and "*Our Business*" beginning on pages 81 and 87 respectively of this Red Herring Prospectus.

11. Significant Developments after March 31, 2018 that may affect our results of operations

Except for the preferential allotment of 7,60,000 Equity Shares approved *vide* shareholders resolution dated May 5, 2018 as stated in "*Capital Structure*" on page 54 and except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*", "*Our Business*" , "*History and Certain Corporate Matters*" and "*Risk Factors*" of this Red Herring Prospectus, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated

assets or our ability to pay our liabilities within the next 12 months. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operation*", "*Our Business*", "*History and Certain Corporate Matters*" and "*Risk Factors*" on pages 222,87,115 and15, respectively.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of all borrowings of our Company together with a brief description of certain significant terms of such financing arrangements. As on March 31, 2018 our Company's outstanding borrowing is ₹ 5,939.06 Lakhs comprising of secured loan of ₹ 4,204.16 lakhs (inclusive of working capital loans) and unsecured loan of ₹ 1,734.91 Lakhs the details of which are set out below:

A. SECURED BORROWING

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
Tata Capital Financial Services Limited (I)								
1. CF-Term Loan	300.00	118.40	110.08	12 i.e. rate of interest is equal to long term lending rate less 6.25% (Floating)	60 months	for closing unsecured business loans and working capital purpose	payable in equal monthly instalments till maturity	• Unconditional and irrevocable personal guarantee of Suresh Reddy, Vinod Reddy, K Bala Gangadhar Reddy and K Rajasekhar Reddy • Please refer to note 1 for collateral securities
2. CF-Working Capital Demand Loan	300.00	206.46	205.88	10.25 i.e. rate of interest equal to short term lending rate less 6.75% (Floating)	12 months	for purchase of raw materials from various suppliers for executing orders from Tata Steel Limited	payable at the end of 90 days	
3. CF-Sales Invoice Discounting	700.00	58.81	-	9.50	12 months	For discounting invoices raised on Tata Steel Limited	Each invoice to be adjusted on or before the due date	
Tata Capital Financial Services (II)								
Equipment Finance	238.05	175.70	153.03	13.50 i.e. rate equal to long term lending rate less 4.75 (Floating)	48 months including 6 months moratorium	for purchase of equipment	6 months moratorium starts from first tranche disbursement, thereafter payable in equal monthly instalments	• Unconditional and irrevocable personal guarantee of Suresh Mohan Reddy Chedipudi and Vinod Kumar Reddy • First *pari-passu* charge on movable assets mentioned

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
								below: 1) Transfer printing machines for complete door 2) Transfer printing machine for door frame 3) Powder Coating plant
Siemens Financial Services Private Limited								
Loan (India) Hypothecated – Refinance	507.1	353.22	270.86	13.75	24 months	refinance of and against the assets	payable in equal monthly instalments from August 31, 2017 to July 31, 2019	• Unconditional and irrevocable personal guarantee of Suresh Reddy, Vinod Reddy, K Bala Gangadhar Reddy and K Rajasekhar Reddy • Please refer to note 2 for collateral securities
Hero Fincorp Limited (I)								
Machinery Term Loan	400.00	349.64	327.95	12.75 (Floating)	66 months including 6 months moratorium	for purchasing new machinery	Payable in 66 monthly instalments	• Unconditional and irrevocable personal guarantee of Suresh Reddy, Vinod Reddy, K Bala Gangadhar Reddy and K Rajasekhar Reddy • First *pari-passu*

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
								charge on movable assets mentioned below: 1) 4 Transfer printing machines for complete door 2) 1 Transfer printing machine for door frame 3) 1 Powder Coating machine
Hero Fincorp Limited (II)								
Machinery Term Loan	43.00	13.89	6.10	15 (Floating)	24 months	for purchasing new machinery	Payable in 24 monthly instalments	• Personal guarantee of Suresh Mohan Reddy • First *pari-passu* charge on Deratech Hydraulic Press Brake Ultima
State Bank of India								
1. Cash Credit Facility	2,100.00	1,873.60	1,891.35	2.75 above MCLR rate (Floating)	On demand basis	for import of machinery and capital goods	On demand basis	• Personal guarantee of Suresh Mohan Reddy, Rajashekhara Reddy, K Vinod Kumar Reddy, K Balagangadhar Reddy, A Golla Peda Komaraiah • Please refer to note 3 for collateral
2. Term Loan Facility	1,200.00	825.56	825.56	3.75 above MCLR rate (Floating)	69 months including 12 months moratorium	expansion cum modernisation of manufacturing operations	payable in 57 equal monthly instalments	

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
								securities
3. Bank Guarantee	150.00	49.42	23.40	-	12 months	to issue various government department, mobilisation, EMD/retention, performances. etc.	12 months	• Counter guarantee of the Company • Charge over current assets and fixed assets • Charge over all collaterals to cover bank guarantee also
4. Letter of Credit	500.00	247.77	269.85	-	12 months	for purchase of raw material	12 months	• Application cum indemnity from the borrower in respect of every letter of credit • Charge over assets to be procured under letter of credit • Charge over the primary and collateral security to cover letter of credit limit
HDFC Bank Limited								
1. Cash Credit Facility	500.00	-	498.58	10.50 (floating)	12 months	Working Capital	Payable on demand	• Personal guarantee of Suresh Reddy, K. Vinod Reddy and K Rajasekhar Reddy and 69.33% of the Shareholders of the Company • Please refer to note 4 for
2. Term Loan –I Facility	1,000.00	-	1,000.00	10.50 (floating)	60 months including 6 months moratorium	Purchase of plant, machinery, land and building	Payable in 60 monthly installments	

Type of Loan	Sanctioned amount (₹ in lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Tenor/ Period	Purpose	Repayment Schedule	Security Provided
								collateral securities

Security Details of the above mentioned loans:

Note 1:

1. First *pari-passu* charge on movable assets mentioned below:
   i. PPMPL manufactured "6-DL-Fix" six daylight press system
   ii. Low Pressure foaming machine
   iii. Power Press 15 tons capacity Hydraulic press
   iv. Power Press 60 tons capacity Hydraulic press
   v. Glass Straight line edga grinding machine
   vi. Shering machine model 3106 with CNC & Press brake (Bending Machine) ECHP-150.31/25
   vii. Special Purpose capacitator discharge, stored energy welders 1-30 kva, 3-10kva
   viii. Jib crane, 5 ton capacity
   ix. Scissor lift, capacity 1,000 kg
   x. JHS make integrated transformer portable IT gun
   xi. Washing machine and hydro extractor
   xii. Automatic tapping machine model JT-4508 4 Axis multi pindles
   xiii. Element Analyser XL2 800 make nition
   xiv. CNC press brake machine model UAD 170/4100
   xv. CNC Swig Beam Shearing machine
   xvi. Box Panel Roll Former machine

Note 2:

1. First *pari-passu* charge on movable assets mentioned below:
   i. Amandn Hydraulic Press Brake
   ii. Power coated booth
   iii. Cold roll Forming Machine
   iv. High Pressure Foam Machine
   v. CNC Turrent Punch Press
   vi. Standard 3 mt. 120 Tons Smart CNC Press Break with ESA Controller X and R Axis Back Gauge and Hydraulic Cooling System and Standard 3 mt. 6mm. Swing Beam Shear with Hydraulic Cooling System and 1.5m length left side squaring arm
   vii. Standard ZQXJ-2 Oven with 2 membrance table
   viii. Special Purpose Capacitor Discharge Stored Energy Welder
   ix. Special Purpose Capacitor Discharge Stored Energy Welder
   x. Supply for 1 ton freight elevator
   xi. Laser Machine ISEO

Note 3:

Primary:

i. Proposed purchase of Machinery and Electrical installations and furniture and fittings excluding machinery and vehicles financed by NBFCs
ii. Existing machinery and electrical installations and furniture and fittings excluding machinery and vehicles financed by NBFCs
iii. Stock, Book Debts and other current assets present and future

Collateral:

iv. Flat No. 204 admeasuring 1550 sft. Situated at S. No. 117, 125, 126 and 127 H. No. 2-22-41, 2-22-46/4, Plot No. 160A/ 163A Samhita Nilayam, Eenadu Society, Kukatpally, Hyderaabd- 500 033 owned by Suresh Mohan Reddy s/o Sambi Reddy

v. Factory Land and building (3630 sq. yards + 1210 sq. yards + 1210 sq. yards) in S. No. 66, 68 and 69 situated at Bahadurpally village, Quthbullapur Mandal, RR district owned by Company
vi. Factory land and building (1210 sq yard) S. No. 66, 68 and 69 situated at Bahadurpally village, Quthbullapur Mandal, RR dist owned by akinaboina Golla Peda Komaraiah

Note 4:

Primary:

First *pari passu* charge on:

i. Hypothecation of stocks and book debts;
ii. Hypothecation of plant and machinery both present and future.

Collateral:

iii. Sy. No.66, 67 and 68, Gram Panchayat, Quthbullapur Mandal, Bahadurpally Village, Ranga Reddy District, Hyderabad – 500 043, Telangana, India.

VEHICLE LOANS

Our Company has availed the following vehicle loans from certain institutions, the details of which are as under:

Lender	Loan Amount (₹ in Lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Repayment Schedule	Security
HDFC Bank Limited (I)	51.3	37.55	34.40	9.35	payable in 60 equated monthly instalments	• New BMW X 3 purchased from Kun Moto Ren Private Limited • Personal Guarantee of Suresh Mohan Reddy
HDFC Bank Limited (II)	20.32	9.74	7.42	9.50	payable in 36 equated monthly instalments	• New Toyota Innova purchased from Harsha Automotive Private Limited , Hyderabad • Personal Guarantee of. Suresh Mohan Reddy
HDFC Bank Limited (III)	7.15	1.98	1.12	10.50	payable in 36 equated monthly instalments	• New Hyundai 1-20 Elite/ Asta 2015 purchased from Talwar Mobiles Private Limited, Hyderabad • Personal Guarantee of Suresh Mohan Reddy
HDFC Bank Limited (IV)	28.14	9.76	7.12	13.01	payable in 48 equated monthly instalments	• New Eicher 11.10 (2015) purchased from Talwar Auto Garages Private Limited • New Eicher 11.10 (2015) purchased from Talwar Auto Garages Private Limited • Personal Guarantee

Lender	Loan Amount (₹ in Lakhs)	Amount outstanding as on March 31, 2018 (₹ in Lakhs)	Amount outstanding as on July 31, 2018 (₹ in Lakhs)	Rate of Interest (% p.a.)	Repayment Schedule	Security
						of Suresh Mohan Reddy
BMW India Financial Services Private Limited	13.81	9.89	9.04	9.34	payable in 60 equated monthly instalments	Hyundai Creta 1.6 SX Plus Auto purchased from Talwar Mobiles Private Limited
Nissan Renault Financial Services India Private Limited	10.52	5.82	4.95	7.57	payable in 48 equated monthly instalments	Nissan Terrano purchased from Vibrant Cars Private Limited-Secunderabad
Volkswagen Financial Services*	12	8.00	6.71	9.15	payable in 36 equated monthly instalments	Vento 1.5 Diesel Highline AT

** Our Company is in the process of filing form CHG-1 with the Registrar of Companies*

Restrictive Covenants under the Secured Loans:

The borrower shall not without the prior consent of the bank:

- deal with or dispose of any interest in the assets or part thereof create or attempt to create a charge, lien, any further security interest or encumbrance of any kind whatsoever over the said assets;
- receive, compound or realise any of the said debts nor do anything whereby the recovery of the same may be impeded, delayed or prevented;
- create any charge or mortgage, lien or any other encumbrance upon or over the same or nay part thereof except in favour of the bank nor suffer any such charge, mortgage, lien or any other encumbrance or any attachment or distress to affect the same or any part thereof nor do or allow any thing that may prejudice the security;
- change its exiting shareholding pattern;
- give effect to an event that changes the control of the borrower or the guarantor or changes the capital structure of the borrower or changes the general nature of the business of the borrower;
- declare dividends or distribute profits except when the principal and interest are paid to the bank regularly;
- withdraw monies brought in by the promoter and directors or relatives of the promoter or directors of the borrower;
- include on it its board of a promoter or director of a company which has been identified as a willful defaulter by the RBI and CIBIL or by any other government agency from time to time, in case the borrower's board contains a promoter or director who is a willful defaulter, the borrower shall immediately on becoming aware of the same take expeditious and effective steps for removal of such person;
- take any action, proceedings or steps with respect to winding up, reorganization, compromise, arrangement, appointment of a liquidator or any other analogous proceedings in respect of the borrower;
- amalgamate the borrower with any other body corporate or any other body corporate with the borrower;
- sell, assign, transfer, mortgage, pledge, hypothecate, let or otherwise deal with or part with the possession of the machinery or create any interest of any third party in the same in the agreement or attempt to do so or create or allow to be created any lien upon the said machinery;
- make investments/advances or deposit amounts with any other concern;
- enter into any borrowing agreement with any other bank/Financial Institution/ Company;
- undertake guarantee or obligations on behalf of any other company;
- change the composition of companies Board of Directors;
- make any reference to Corporate Debt Restructuring Cell (CDR), BIFR and to any other statutory body by whatever name called constituted to restructure the borrower or its debt, rehabilitate or reconstitute the borrower and its management;
- initiate any action to restructure or reschedule the debts of the borrower with any of its lenders;
- create charges on any or all of its properties or assets including uncalled capital;

- effect any change in the company's capital structure; in all cases of term loans, where a condition prohibiting disinvestments by promoter of their quota in the equity of the borrower company, without the prior approval of the Bank, all the promoter of the company should furnish an undertaking on the lines specified for this purpose;
- enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the Bank from time to time and approved by the Bank;
- change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc;
- permit any transfer of the controlling interest or make any drastic change in the management set- up;
- undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concern (including group companies); normal trade credit or security deposits in the normal course of business or advances to employees can, however, be extended;
- undertake any guarantee obligation on behalf of any other company (including group companies);
- enter into any contractual obligation of a long term nature or affecting the company financially to a significant extent;
- remove or take the hypothecated assets outside the territorial borders of the state in which the same have been registered on a permanent basis or for a continuous period of more than 60 days;
- undertake or permit any merger, demerger, consolidation, reorganization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction including creation of subsidiary;
- change the constitution of the company, partnership or LLP as the case may be;
- divert any funds to any purpose and launch any new scheme of expansion.

B. UNSECURED BORROWINGS

Our Company has availed the following unsecured loans as on March 31, 2018:

(₹ in lakhs)

Name of the lender	**Amount outstanding as on March 31, 2018**	**Amount outstanding as on July 31, 2018**
HDFC Bank Limited	31.88	22.63
Tata Capital Financial Services Limited	35.24	25.13
Standard Chartered Bank	39.99	28.43
Magna Fincorp Limited	52.91	37.74
Capital First Limited	32.00	14.14
Kotak Mahindra Bank Limited	31.58	13.94
Fulletron India Credit Company Limited	29.22	20.81
Zen Lefin Private Limited	31.64	13.98
RBL Bank Limited	29.28	20.87
IndusInd Bank Limited	29.34	20.93
Bajaj Finserv Limited	19.33	13.77
Aditya Birla Finance	44.04	31.42
Shriram City Union Finance Ltd	18.96	13.99
Equitas Small Finance Bank	4.53	0.00
India Infoline Finance Limited	29.34	20.93
Jian Sons Finlease Limited	418.84	359.19
UPF Limited	3.34	0.00
NeoGrowth Credit Private Limited	2.43	0.00
Axis Bank Limited	146.09	109.56
Total (A)	**1030.02**	**767.45**
Loans from Directors		
Chedepudi Suresh Mohan Reddy	486.02	507.46
Kurre Rajasekhar Reddy	34.37	0.37
Kuchuru Vinod Kumar Reddy	129.50	1.53
Konda Bala Gangadhara Reddy	1.09	1.09
Konduru Iswara Varaprasad Reddy	200.00	200.00
Total (B)	**850.98**	**710.45**

Name of the lender	Amount outstanding as on March 31, 2018	Amount outstanding as on July 31, 2018
TOTAL UNSECURED LOANS (A+B)	**1881.00**	**1477.90**

For further details, please refer to paragraph *"Significant Developments after March 31, 2018 that may affect our Future Results of Operations"* on page 232 of this Red Herring Prospectus.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there are no (i) outstanding criminal proceedings against our Company, our Promoter and our Directors and (ii) action pending or taken by a ministry, government department, statutory / regulatory authorities, economic offence against our Company, our Promoter and our Directors (iii) indirect and direct tax proceedings; (iv) other litigations involving our Company, Group Entities and Directors, as determined to be material by our Board, in accordance with the SEBI ICDR Regulations (v) litigation involving our Company, Directors and Group Entities or any other person whose outcome may have a material adverse effect on our Company.

Our Company, our Director and/or our Promoter have not been declared as wilful defaulters by the RBI, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchange against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

Further, except as stated in this section, there are no: (i) pending proceedings initiated against our Company for economic offences; (ii) pending default and non - payment of statutory dues by our Company; (iii) overdues to banks or financial institutions by our Company; (iv) defaults against banks or financial institutions by our Company;(v) matters involving our Company pertaining to violation of securities law, and (vi) outstanding dues to material creditors, material small scale undertakings and other creditors. For details of contingent liability as per Accounting Standard 29, refer to the section "Financial Statements" on page 151 of this Red Herring Prospectus.

Details of other legal proceedings, determined to be material by our Board of Directors pursuant to their resolution dated May 19, 2018 and currently pending involving our Company are set forth below. Pursuant to the SEBI (ICDR) Regulations, for the purposes of disclosure, all other pending litigation involving our Company, Directors and Promoter other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' if (a) the aggregate amount involved in such individual litigation exceeds 1% of total revenue of our Company, as per the last audited financial statements, or (b) the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the total revenue of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the total revenue of our Company, or (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputation of our Company and our Board of Directors or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by our Board of Directors or any of its committees.

As per the Materiality Policy, outstanding dues to creditors in excess of 1% of the total amounts owed to creditors as on March 31, 2018 as per last audited financial statements of our Company are to be considered as material outstanding dues. Accordingly, the threshold for material dues would be 1% of the total amounts owed to creditors as on March 31, 2018 i.e. ₹ 1792.46 lacs. Further, all outstanding dues have been disclosed in a consolidated manner in this section. Details of material outstanding dues to creditors and details of outstanding dues to small scale undertakings and other creditors are disclosed on our website at www.ahlada.com.

1. CONTINGENT LIABILITIES

Out total contingent liabilities that have been provided for and disclosed in our restated financial information as of March 31, 2018 were ₹1368.21 lacs. For further details, see notes to our restated financial information under the section titled *"Financial Information"* on page 151 of this Red Herring Prospectus.

2. LITIGATION INVOLVING OUR COMPANY

Litigations against our Company

Civil Proceedings

Nil

Criminal Proceedings

Nil

Litigations by our Company

Civil Proceedings

Nil

Criminal Proceedings

Nil

Tax Proceedings

Direct Tax

Nil

Indirect Tax

Notices Received by our Company

1. Notice dated August 10, 2016 issued by the Commercial Tax Officer, Jeedimetla Circle, Hyderabad Division

The Commercial Tax Officer, Jeedimetla Circle, Hyderabad Division at Hyderabad had issued a Show Cause notice dated August 10, 2016 to our Company stating that the transactions claimed as exemptions under the returns filed by our Company in Form CST VI would not be granted in the absence of statutory forms and other information, which are required under the Central Sales Tax (R&T) Rules to prove the validity of the transactions on which exemptions have been claimed, the said transactions should be treated as interstate sales and local rate/higher rate of tax would be levied. In response to the notice, our Company filed a reply along with documentary evidences to support the eligibility of the transactions for claiming exemptions. Pursuant to this, the Commercial Tax Officer, vide order dated March 31, 2017 levied a higher charge on the turnover and directed our Company to pay an additional amount of ₹ 10.64 lakhs. Subsequently, our Company challenged the said order before the Assistant Commissioner of Sales Tax, Jeedimetla Circle, Hyderabad Division at Hyderabad, who then passed an order dated March 29, 2018 reducing the additional tax liability to ₹ 4.96 lakhs and issued a demand notice for the same.

2. Notices received by the Company from tax authorities

The Commissioner of Central Tax, Medhcal Commiserate situate at Hyderabad issued a show cause notice bearing O.R. No. 14/2018-Adjn. (Medchal) dated April 6, 2018 stating that our Company was evading excise duty by excluding purchased items such as door locks, handles, hinges, etc purchased from the assessable value of the doors and windows, even though they are essential for proper functioning and form a part and parcel of the same. The notice further stated that our Company was collecting the value of such purchased items by issuing separate commercial invoices, and therefore undervaluing the cost of the final products. The company was therefore in violation under Section 11 A (1) (a) of the Central Excise Act, 1944 read with Section 174 of the CGST Act, 2017 for short payment of duty. Therefore in order to recover the short paid duty the following show cause notices were issued against our Company:

Sr. No.	Notice no. and date	Amount (₹)	Period	Issued by
1.	79/2011-Adjn (CE) ADC dated April 20, 2011	44,48,041/-	August 2008 to October 2010	Additional Commissioner
2.	174/2011-Adjn (CE) ADC dated October 11, 2011	21,81,375/-	November 2010 to March 2011	Additional Commissioner

3.	134/2012-Adjn (ADC) CE dated May 4, 2012	37,73,080/-	April 2011 to January 2012	Additional Commissioner
4.	40/2013-Adjn (Commr) CE dated March 5, 2013	67,63,118/ -	February 2012 to December 2012	Commissioner
5.	10/2014-Adjn (Commr) CE dated January 3, 2014	63,21,501/-	January 2013 to October 2013	Commissioner
6.	211/2014- Adjn (Commr) CR dated December 1, 2014	56,95,186/-	November 2013 to June 2014	Commissioner
7.	139/2015- Adjn (Commr) CE dated August 3, 2015	2,41,27,404/-	July 2014 to March 2015	Commissioner
8.	119/2016- Adjn (Commr) CE dated July 1, 2016	1,52,66,607/-	April 2015 to March 2016	Commissioner

On the basis of the above mentioned information, the amount of demand is ₹ 685.76 lakhs, to the extent quantifiable. Additionally, while scrutinising the information provided for the period of April 2016 to June 2017 by our Company, it was observed that our Company had continued to evade tax by undervaluation of products and was liable to pay an additional amount of ₹ 162.58 for the period of April 2016 to June 2017. Our Company has therefore, been asked to show cause as to why *interalia* an amount of ₹ 685.76 lakhs and an additional amount of ₹ 162.58 for the period of April 2016 to June 2017, aggregating to ₹853.31 lacs (to the extent quantifiable) should not be recovered under Section11 A (1) (a) of the Central Excise Act, 1944 read with Section 174 of the CGST Act, 2017. Our Company has filed replies to each of these above notices and the matter is pending before the relevant authorities.

3. Notices dated August 17, 2018 issued by the Superintendant of Central Tax, Central Excise.

The Superintendant of Central Tax, Central Excise, Komapally range issued notices to our Company bearing O.C. nos 1348 of 2016 dated November 25, 2016 and 0241 of 2017 dated March 27, 2017 stating that during the manufacture of our products for the period from August 2016 to January 2017, waste and scrap amounting to 12,500 kg, was generated and the same was cleared without payment of central excise duty under Section 3 and 4 of Central Excise Act, 1944 and Central Excise Rules, 2002. The notices further stated that, waste and scrap form a part of the items mentioned under the Second Schedule of the said Act and therefor our Company was liable to pay central excise duty on the same for the said period. Our Company replied to the said notices *vide* letters dated January 04, 2017 and April 07, 2017 stating that waste and scrap are not excisable and excise duty is not required to be paid towards the same. Thereafter, the Superintendant of Central Tax, Central Excise, Bachupally Range, Medchal Division issued a show cause notice bearing O.C. no. 329 of 2018 dated August 17, 2018 to our Company, reiterating the same and requiring us to show cause as to why (i) an amount of ₹ 39,875 towards the payment of duty on clearance of waste and scrap during the period from August 2016 to January 2017 should not be demanded under Section 11 A of the Central Excise Act, 1944 (ii) an interest at the applicable rate on the amount mentioned in (i) should not be demanded under Section 11 AA of the Central Excise Act, 1944 and (iii) a penalty should not be imposed under Rule 25 of the Central Excise Rules, 2002. Our Company is in the process of filing a reply to the said notice.

Notices Issued by our Company

Nil

3. LITIGATION INVOLVING OUR PROMOTER

i. Cases filed against our Promoter – NIL
ii. Cased filed by our Promoter – NIL

4. LITIGATIONS INVOLVING OUR DIRECTORS

i. Cases filed against our Directors - NIL
ii. Cased filed by our Directors – NIL

5. LITIGATIONS INVOLVING OUR SUBSIDIARY

As on date of this Red Herring Prospectus, our Company does not have a subsidiary

6. LITIGATIONS INVOLVING OUR GROUP ENTITIES

i. Cases filed against our Group Entities – NIL
ii. Cased filed by our Group Entities – NIL

7. PENALTIES IMPOSED IN PAST CASES FOR THE LAST FIVE YEARS

i. Our Company – NIL
ii. Our Directors and Promoter – NIL
iii. Our Group Entities – NIL

8. DELAYS WITH REGULATORY AUTHORITIES

Our Company has delayed in complying with certain RoC filings since incorporation. The following table depicts the details of such delay:

Particulars	Due date of filing with MCA/RoC	Actual filing date
Form 2		
For filing of the Return of allotment of shares, required u/s 75(1) of Companies Act, 1956	April 29, 2012	August 27, 2012
	August 8, 2009	August 28, 2009
	August 20, 2008	September 1, 2008
	March 12, 2006	June 2, 2006
	April 27, 2013	July 1, 2013
	September 5, 2008	September 24, 2008
	November 21, 2008	March 5, 2009
	August 27, 2008	September 1, 2008
Form 5		
For giving a notice of consolidation/division/increase in share capital – Section 95, 97 or 94A(2) or 81(4) of Companies Act, 1956	April 15, 2009	May 5, 2009
	March 12, 2006	May 16, 2006
Form 20B		
For filing Annual Return u/s 159 of Companies Act, 1956 for the year ended March 31, 2014	November 26, 2013	June 7, 2014
Form 23 AC and Form 23 ACA		
For filing Balance Sheet, other documents and Profit & Loss account of the Company pursuant to Section 220 of the Companies Act, 1956 for the year ended March 31, 2014 as the AGM of the Company was conducted on September 29, 2014.	October 29, 2014	November 28, 2014
	October 27, 2013	November 18, 2013
Form 32		
For filing particulars of Appointment of Managing Director, Directors, Manager or Secretary and changes among them – required u/s 303(2), 264(2), 266(1)(a) and 266(1)(b)(iii) of the Companies Act, 1956	September 9, 2010	February 27, 2012
	October 30, 2010	November 30, 2010
	November 21, 2009	February 4, 2010
	October 27, 2013	October 29, 2013
	May 1, 2012	August 27, 2012
	October 30, 2008	December 24, 2008
	September 21, 2009	January 5, 2010
	May 15, 2009	July 1, 2009
	October 30, 2009	December 22, 2009

Particulars	Due date of filing with MCA/RoC	Actual filing date
Form 23		
For registration of resolution and agreements u/s 192 of the Companies Act, 1956.	September 1, 2010	February 27, 2012
Form DIR-12*		
For filing the particulars of Appointment of Directors, Key Personnel Manager and the changes amongst them pursuant to Sections 7(1)(c), 168 & 170(2) of the Companies Act, 2013 and rule 17 of the Companies (Incorporation) Rules 2014 and rules 8, 15 & 18 of the Companies (Appointment and Qualification of Directors) Rules 2014	May 10, 2014	August 8, 2014
Form MGT-7		
For filing of Annual Return pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014	November 29, 2017	April 20, 2018
	November 29, 2016	December 31, 2016
	November 29, 2015	December 24, 2015
	July 08, 2018	July 21, 2018
Form CHG-1		
For filing Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act 2002 pursuant to Sections 77, 78, 79 and pursuant to Section 384, read with 77, 78 and 79 of the Companies Act, 2013 and Rule 3(1) of the Companies (Registration of Charges) Rules 2014	December 26, 2017	January 31, 2018
	August 30, 2017	February 28, 2018
	May 20, 2017	October 11, 2017
	September 30, 2017	October 23, 2017
	October 29, 2016	January 9, 2017
	November 24, 2016	February 8, 2017
	January 29, 2016	April 18, 2016
	June 18, 2015	June 18, 2016
	August 10, 2016	September 19, 2016
	June 19, 2016	September 21, 2016
	August 28, 2016	September 22, 2016
	August 27, 2016	October 1, 2016
	October 15, 2016	November 28, 2016
Form ADT-1		
For providing information to the Registrar by the company for appointment of auditor pursuant to section 139 (1) of the Companies Act, 2013 and Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014	October 14, 2017	October 31, 2017
Form ADT-3		
For filing of notice of resignation by the auditor pursuant to section 140(2) of the Companies Act, 2013 and rule 8 of the Companies (Audit and Auditors) Rules, 2014	September 1, 2017	October 17, 2017
Form AOC-4		
For filing financial statement and other documents with the Registrar pursuant to section 137 of the Companies Act, 2013 and sub-rule (1) of Rule 12 of Companies (Accounts) Rules, 2014	October 30, 2015	December 24, 2015
Form AOC-4 XBRL		
For filing XBRL document financial statement and other documents with the Registrar pursuant to section 137 of the Companies Act, 2013 and sub-rule (1) of Rule 12 of Companies (Accounts) Rules, 2014	October 29, 2017	November 30, 2017
	October 30, 2016	December 29, 2016
Form MR-1*		
For filing Return of appointment of key managerial personnel pursuant to Section 196 read with Section 197 and Schedule V of the Act and Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014	June 9, 2014	August 8, 2014
	June 9, 2017	June 11, 2018

Particulars	Due date of filing with MCA/RoC	Actual filing date
Form MGT-14		
For filing of Resolutions and agreements to the Registrar	June 7, 2017	February 1, 2018
	May 8, 2017	February 1, 2018
	April 1, 2015	June 30, 2015
	May 10, 2014	August 8, 2014
	May 20, 2018	May 29, 2018
	May 20, 2018	June 13, 2018
	January 11, 2014	June 19, 2014
	Ocotber 1, 2014	November 28, 2014

** Delay in filing of Form DIR-12 is for the following Directors: Chedepudi Suresh Mohan Reddy (Managing Director), Konda Bala Gangadhar Reddy (Whole Time Director), Kuchuru Vinod Kumar Reddy (Whole Time Director) and Kurre Rajasekhar Reddy (Whole Time Director)*

******* *Delay in filing of Form MR-1 is for the following Directors: Chedepudi Suresh Mohan Reddy (Managing Director), Konda Bala Gangadhar Reddy (Whole Time Director), Kuchuru Vinod Kumar Reddy (Whole Time Director) and Kurre Rajasekhar Reddy (Whole Time Director)*

Additionally, there have been certain instances in the past wherein our Company has not filed Forms MGT-14, Form CHG-1 and Forms 23 and 23AA, as required under the provisions of Companies Act.

9. DEFAULT AND NON – PAYMENT OF STATUTORY DUES

There have been no instances of defaults or non-payment of statutory dues however, there have been certain instances of delays or in payment of statutory dues by the Company which have been detailed below:

(₹ in Lakhs)

Particulars	Amount
Service Tax Payable	17.34
Goods and Service Tax Payable	41.36
Value Added Tax Payable	0.33
Central Sales Tax payable	11.43
Tax Deducted at Source Payable	58.41
Income Tax Payable	366.36
Total	**495.26**

10. OUTSTANDING LITIGATION AGAINST ANY OTHER PERSONS WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY.

Nil

11. ACTION PENDING OR TAKEN BY A MINISTRY, GOVERNMENT DEPARTMENT, STATUTORY / REGULATORY AUTHORITIES AGAINST OUR PROMOTER

There is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the year of the issue of this Red Herring Prospectus.

12. OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

In terms of the Materiality Policy dated May 19, 2018, our Company had twenty two (22) material creditors and the amount outstanding towards such material creditors as on March 31, 2018 was ₹ 1792.46 lacs.

As on March 31, 2018, our Company had a total of 366 creditors and the amount outstanding towards such creditors aggregated to ₹ 2,676.30 lacs. Details of amounts outstanding towards small scale undertakings and other creditors is as follows:

(₹ in Lakhs)

Particulars	No. of Creditors	Amount
Outstanding dues to small scale undertakings	9	96.85
Outstanding dues to other creditors	357	2,579.45
Total outstanding dues	**366**	**2,676.30**

Complete details of outstanding dues to our creditors as on March 31, 2018 are available at the website of our Company, www.ahlada.com. Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.ahlada.com, would be doing so at their own risk. For further details, refer to the section titled *"Financial Statements"* on page 151 of this Red Herring Prospectus.

13. PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

NIL

14. MATERIAL DEVELOPMENTS SINCE MARCH 31, 2018

Except for the preferential allotment of 7,60,000 Equity Shares approved *vide* shareholders resolution dated May 5, 2018 and except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 222 of this Red Herring Prospectus, there have not arisen, since the date of the last financial statements disclosed in this Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter "Key Regulations and Policies" on page 110 of this Red Herring Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.

The following statements set out the details of licenses, permissions and approvals taken by our Company under various central and state laws for carrying out the business:

I. Issue related Approvals

1. For the approvals and authorizations obtained by our Company in relation to the Issue, see "*Other Regulatory and Statutory Disclosures – Authority for the Issue*" on page 254 of this Red Herring Prospectus;

2. In – principle approval from NSE dated July 30, 2018.

II. Incorporation details

Sr. No.	Type of License / Approval	Issuing Authority	Registration No.	Date of Issue
1.	Certificate of Incorporation	Registrar of Companies, Andhra Pradesh	U24239TG2005PTC047102	August 10, 2005
2.	Certificate of Incorporation consequent upon change of name to *"Ahlada Engineers Limited"* on conversion to public limited company	Registrar of Companies, Andhra Pradesh and Telangana at Hyderabad	U24239TG2005PLC047102	February 6, 2018

III. Regulatory Approvals

Sr. No.	Type of License / Approval	Issuing Authority	Registration No.	Date of Issue
1.	PAN	Income tax Department	AAFCA3213M	-
2.	TAN	Income tax Department	HYDA05783B	-
3.	ESIC Certificate	ESIC	52-26-353-67	September 27, 2006
4.	Employee Provident Fund Registration Certificate	Assistant Provident Fund Commissioner, Hyderabad	AP/HY/KKP/54173	December 19, 2006
5.	Professional Tax Registration Certificate	Commercial Taxes Department, Government of Telangana	36240289602	June 6, 2018
6.	Professional Tax Enrolment Certificate	Commercial Taxes Department, Government of Telangana	36240289602	June 6, 2018
7.	Certificate of importer-exporter code	Ministry of Commerce, Government of India	0906016878	June 5, 2018

IV. Business Related Approvals

Sr. No.	Type of License/Approval	Issuing Authority	Reference / Registration / License No.	Date of Issue	Valid up to
1.	Labour Registration Certificate	Government of Telangana, Labour Department	B/PE/RC/RR-1/627/2008	October 26, 2017	Valid until cancelled

V. Tax Related Approvals

Sr. No.	Type of License / Approval	Issuing Authority	Registration / License No.	Date of Issue	Valid Upto
1.	GST certificate of registration	Government of India	36AAFCA3213M1ZS	April 9, 2018	-

VI. Factory Related Approvals

Sr. No.	Type of License / Approval	Issuing Authority	Registration / License No.	Date of Issue	Valid Upto
		Unit-1			
1.	Factory License*	Inspector of Factories	JDM/374/2008	June 28, 2008	Valid until cancelled
2.	DG Set and Electricity License	Electrical Inspectorate, Government of Andhra Pradesh	CEIG/Hyd./HT/D. No.1745/2010	August 10, 2010	Valid until cancelled
3.	Fire NOC	Station Fire Officer, Fire Station, Jeedimetla	103/SFO/JDM/2018	March 1, 2018	March, 2019
		Unit-2			
1.	Factory License	Inspector of Factories	JDM/160/2006	August 14, 2006	Valid until cancelled
2.	DG Set and Electricity License	Electrical Inspectorate, Government of Andhra Pradesh	CEIG/Hyd./HT/D. No.1746/2010	August 10, 2010	Valid until cancelled
3.	Fire NOC	Station Fire Officer, Fire Station, Jeedimetla	102/SFO/JDM/2018	March 1, 2018	March, 2019
		Unit -3			
1.	Factory License	Inspector of Factories	45078	May 29, 2018	Valid until cancelled
2.	DG Set and Electricity License	Electrical Inspectorate, Government of Telangana	CEIG/Hyd./Ex 650V/D. No.1268/2016	May 11, 2016	Valid until cancelled
3.	Fire NOC	Station Fire Officer, Fire Station, Jeedimetla	101/SFO/JDM/2018	March 1, 2018	March, 2019

** Our Company is under process of applying for the change of name in the Factory License for Unit-1 from Ahlada Industries Private Limited to Ahlada Engineers Limited.*

VII. Quality Certifications

Our Company has received various quality certifications for our products. Details of the important certificates are given below:

Sr. No	Type of License / Approval	Issuing Authority	Registration / License No.	Date of Issue	Valid upto
1.	Certificate of registration for environmental management system ISO 14001: 2015U	TÜV SÜD Management Service GmbH	1210435708 TMS	March 26, 2018	March 25, 2021
2.	Certificate of registration for quality management system ISO 9001:2015	TÜV SÜD Management Service GmbH	1210035708 TMS	April 7, 2018	April 6, 2021
3.	Certificate of registration for occupational health and safety management system OHSAS 18001: 2007	TÜV SÜD Management Service GmbH	1211635708 TMS	March 2, 2018	March 1, 2021

VIII. EPCG License

Our Company has availed the following EPCG licenses, the details of which are given below:

License number	0930012011/3/12/0016/2015	0930012890/3/12/00016/2015	0930013128/3/12/00016/2015	0930013714/2/12/0016/2015
Name of Material	1) Laser Machine ISEO Model 1 KW series 2) Deratech Hydraulic Pressbrake Ultima	1) Transfer Printing Machine customized for door frame 2) Transfer Printing	1) Mazak CNC Laser cutting machine space gear 2) Film bagging machine	1) Pivatic Pivapunch PCC 125TT punching line for coils (along with necessary

	Plus 170/4100 3) Deratech Hydraulic Pressbrake Ultima Plus 170/4100 4) Box Panel Rollformer	Machine customized for complete door 3) Powder Coating Plant Customized 4) Hydraulic Press Machine	3) Transfer printing machine for complete door customized 4) Transfer printing machine for door frame customized 5) Powder coating plant customized 6) Panel Bender	accessories) 2) Sublimation machine for complete door shutter model: TP-Y
Issue Date	April 19, 2016	March 9, 2017	June 6, 2017	July 27, 2018
Duty Saved (₹ in Lakhs)	223.147	136.232	422.683	248.52
Export Obligation (₹ in Lakhs)	1,338.88	817.39	2,536.10	1,491.17
Export Obligation Completed	1,338.88	530.85	Nil	Nil
Balance export obligation to be completed (₹ in Lakhs)	0.00*	286.55	2,536.10	1,491.17
Period up to which export obligations to be completed	-	6 years from the date of import	6 years from the date of import	6 years from the date of import

** Our Company has completed the said obligation in June 2017. However, as on date we have not intimated DGFT regarding the completion of the said obligation.*

IX. Intellectual Property Related Approvals

a) Trademark received by our Company:

Sr. No.	Description	Registration No.	Class
1.	Ahlada	1884839	06

b) Our Company has made applications for the registration of the following trademarks and patents:

Sr. No.	Description	Application No.	Class	Date of Application
	Trademark			
1.	ahlada Engineering a better tomorrow	3834480	06	May 16, 2018
2.	Ahlada	3834481	06	May 16, 2018
	Patents			
3.	A movable Barrier with door skins accommodated on a frame	2857/CHE/2009	-	November 20, 2009

X. Licenses/ Approvals for which applications have been made and are pending:

Our Company has made the following applications requesting for fresh registration certificates / approval

consequent upon the name change of our Company from Ahlada Engineers Private limited to Ahlada Engineers Limited:

1) Application dated June 07, 2018 before the Income Tax Department for change of name in TAN.

2) Application dated June 08, 2018 before the Assistant Divisional Engineer (Operations), Telangana State Southern Power Distribution Company Limited, Shahpur Nagar for change of name in DG Set and Electricity License.

3) Application dated June 04, 2018 bearing number FAM201801806 before the Department of Factories, Governemnt of Telangana for change of name in the Factory License of the Unit-2 of our company.

As on the date of this Red Herring Prospectus, the said applications are pending before the relevant authorities.

XI. Licenses / Approvals which are required but not yet applied for:

Our Company has not filed an application for change of name in the factory license for our manufacturing unit-1 from Ahlada Industries Limites to Ahlada Engineers Limited.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

- Our Board has, pursuant to its resolution dated April 12, 2018, authorized the Issue, subject to the approval of the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.

- Our Equity Shareholders have, pursuant to a resolution dated April 20, 2018, under Section 62(1)(c) of the Companies Act, authorized the Issue.

- The Board approved the Draft Red Herring Prospectus pursuant to its resolution dated June 11, 2018 and the IPO Committee approved the Draft Red Herring Propsectus pursuant to the resolution dated June 14, 2018.

- The Board has approved this Red Herring Prospectus pursuant to its resolution dated August 28, 2018 and the IPO Committee has approved this Red Herring Prospectus pursuant to its resolution dated August 28, 2018.

We have received approval from NSE vide their letter dated July 30, 2018 to use the name of National Stock Exchange of India Limited in this Offer Document for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange.

Prohibition by SEBI, RBI and other Governmental Authorities

None of our Company, our Promoter, our Promoter Group, our Directors, our Group Entities and persons in control of our Company are or have ever been 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 the SEBI or any other governmental authorities.

Neither our Promoter, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Neither our Company, nor any of our Promoter, Group Entities, nor our Directors, nor the relatives (as per the Companies Act) of our Promoter are or have been identified as wilful defaulters by the RBI or any other governmental authorities.

The listing of securities of our Company has never been refused at any time by any stock exchange in India or abroad.

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.

Eligibility for this Issue

Our Company is in compliance with the following conditions specified in Regulation 4(2) of the SEBI (ICDR) Regulations to the extent applicable.

a) Our Company, our Directors and the companies with which our Directors are associated as directors or promoter or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;

b) Our Company has applied to the EMERGE Platform of National Stock Exchange of India Limited for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue and has received the in-principle approval from National Stock Exchange of India Limited pursuant to its letter dated July

30, 2018. For the purposes of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange;

c) Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.

d) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus.

Further, in compliance with Regulation 4(5) of the SEBI (ICDR) Regulations, none of our Company, Promoter or Directors is a Wilful Defaulter, as on the date of this Red Herring Prospectus.

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.

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post Issue face value capital does not exceed ten crores rupees and upto twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited).

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% Underwritten and that the BRLM to the Issue has underwritten more than 15% of the total Issue Size. For further details pertaining to said Underwriting please refer to section titled "*General Information – Underwriting Agreement*" on page 43 of this Red Herring Prospectus.

2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), failing which, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under section 40 of the Companies Act 2013.

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Further, we shall also ensure that our BRLM submits a copy of the Red Herring Prospectus and the Prospectus along with Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus and Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement dated August 28, 2018 with the BRLM and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares issued in this Issue. For further details of the arrangement of Market Making, please see the chapter titled "*General Information- Details of Market Making Arrangement for the Issue"* on page 43 of this Red Herring Prospectus.

5. We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

6. Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Exchange / Platform of NSE, details of which are stated herein below.

7. Our Company has been incorporated under the Companies Act 1956, in India.

8. The Net worth (excluding revaluation reserves) of our Company is positive as per the latest audited financial results and we have a positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.

9. As on the date of this Red Herring Prospectus, our Company has a paid up capital of ₹ 951.60 lakhs and the Post Issue Capital will be of ₹ 1,292.10 lakhs, and shall not exceed ₹ 2,500 lakhs.

10. Our Company has not been referred to the Board for Industrial and Financial Reconstruction and no winding up petition has been filed against our company and no liquidator has been appointed.

11. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

12. Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories.

13. Our Company has a website i.e. www.ahlada.com.

14. There has been no change in the promoter of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 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.

Compliance with Part A of Schedule VIII of the SEBI (ICDR) Regulations

Our Company is in compliance with the provisions specified in Part A of Schedule VIII of the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 113 of the SEBI (ICDR) Regulations, with respect to this Issue. Further, our Company has not been formed by the conversion of a partnership firm into a company.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, BEING SAFFRON CAPITAL ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BRLM, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM SAFFRON CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE, A DUE DILIGENCE CERTIFICATE DATED JUNE 14, 2018 AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

WE, THE BRLM TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

a) **THE RED HERRING PROSPECTUS FILED WITH SEBI/NSE 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 SEBI, THE CENTRAL GOVERNMENT, AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

c) **THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, AS APPLICABLE, THE SECURITIES 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 RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITER TO FULFIL ITS UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTER' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS/RED HERRING PROSPECTUS WITH SEBI/NSE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS- COMPLIED WITH AND NOTED FOR COMPLIANCE.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER' 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 SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT**

PROMOTER' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH**

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 RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES ARE TO BE ISSUED IN DEMATERLISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:**

    (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER EXPERIENCE, ETC. COMPLIED WITH;**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. COMPLIED WITH;**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH THE CIRCULAR DATED SEPTEMBER 27,**

2011. COMPLIED WITH;

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INLCUDED IN THE RED HERRING PROSPECTUS.

18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS. (IF APPLICABLE). – NOT APPLICABLE

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 RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 - NOTED FOR COMPLIANCE.

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER – NOTED FOR COMPLIANCE.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE RED HERRING 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 Red Herring Prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) 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 BRLM any irregularities or lapses in the Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by the BRLM

Price information of past public issues (during current financial year and two financial years preceding the current financial year) handled by Saffron Capital 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	Cadsys (India) limited	14.70	70	October 04, 2017	84	40.53% (12.52%)	45.59% (47.96%)	9.52% (2.99%)

Source: Price Information www.nseindia.com, Issue Information from respective Prospectus

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by the BRLM

FY	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		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017 - 2018	1	14.70	-	-	-	1	-	-	NA	NA	NA	NA	NA	1

Track Record of past issues handled by the BRLM

For details regarding the track record of the Saffron Capital 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 Saffron Capital Advisors Private Limited at www.saffronadvisor.com

Disclaimer Clause of the Emerge Platform of NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company is mentioned below:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/168 dated July 30, 2018 permission to the Issuer to use the Exchange's name in the Offer Document as one of the stock exchange on which this Issuer's securities

are proposed to be listed. The Exchange has scrutinized draft Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Disclaimer from our Company, our Directors and BRLM

Our Company, the BRLM 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.

Our Company, the Director and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the abovementioned entities and anyone placing reliance on any other source of information, including our website, www.ahlada.com, would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the MOU dated May 04, 2018 entered into between the BRLM and our Company, the Underwriting Agreement dated August 28, 2018 entered into between the BRLM, being the Underwriter to the Issue and our Company and the Market Making Agreement dated August 28, 2018 entered into between the BRLM, the Market Maker and our Company.

Our Company and the BRLM shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at bidding centres or elsewhere.

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

Caution

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and its 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 Underwriter and its respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares of the 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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Alternative Investment Fund, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of 2,500 lakhs, pension fund with minimum corpus of 2,500 lakhs, National

Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and Insurance funds set up and managed by the Department of Posts, India, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company this Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Hyderabad, Telangana, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

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 under 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 outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant/bidder where required agrees that such applicant/bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

Filing with SEBI and the RoC

This Red Herring Prospectus has been filed with National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of this Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulations 106(M)(3) and 106 (O) (1) of SEBI (ICDR) Regulations. However, a copy of the Prospectus will be filed with SEBI at 7th Floor, Overseas Towers, 756-L, Anna Salai, Chennai – 600 002, for their record only.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC situated at 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram Nagole, Bandlaguda, Hyderabad – 500 068.

Listing

An application shall be made to Emerge Platform of NSE for obtaining permission for listing of the Equity Shares being issued and sold in the Issue on its Emerge Platform after the allotment in the Issue. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the applicants/bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge Platform mentioned above are taken within 6 (six) Working Days of the Issue Closing Date.

NSE has given its in-principle approval for using its name in our Offer Document vide its letter No. NSE/LIST/168 dated July 30, 2018.

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."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of: each our Directors; our Company Secretary and Compliance Officer; our Chief Financial Officer; our Key Managerial Personnel; our Statutory Auditors; lenders to our Company; Bankers to our Company; Syndicate Members; Book Running Lead Manager; Underwriter, Market Maker, the Registrar and the Legal Counsel to the Issue, to act in their respective capacities, have been obtained and will be filed along with a copy of the Prospectus with the RoC as required under Section 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, our statutory auditors, M/s. Kishore & Venkat Associates, have given their written consent to the inclusion of their report dated MAY 9, 2018 on restated financial information and the statement of tax benefits dated May 10, 2018 in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus in the form and context in which they appear therein and such consent have not been withdrawn as on the date of this Red Herring Prospectus.

Expert Opinion

Except for the report of the Statutory Auditor, M/s. Kishore & Venkat Associates, Chartered Accountants as stated in section titled "*Financial Information*" and chapter titled "*Statement of Tax Benefits*" on page 151 and 78, respectively of this Red Herring Prospectus, our Company has not obtained any expert opinions. However, the

term “expert” shall not be construed to mean an “expert”" as defined under the U.S. Securities Act, 1933

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, selling commissions, SCSBs commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Issue expenses, please refer to the chapter titled “*Objects of the Issue*” on page 69 of this Red Herring Prospectus.

Details of Fees Payable

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate letter issued by our Company to the Book Running Lead Manager, 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 to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated April 26, 2018, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Statutory Auditor and Advertisers, etc. will be as per the terms of their respective engagement letters, if any.

Underwriting Commission, Brokerage and Selling Commission

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

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.

Previous Rights and Public Issues during the Last Five Years

There have been no public or rights issues undertaken by our Company during the five years preceding the date of this Red Herring Prospectus.

Previous Issues of Shares otherwise than for Cash

Except as disclosed in the chapter titled “*Capital Structure*” on page 54 of this Red Herring Prospectus, our Company has not issued any securities for consideration other than cash.

Underwriting Commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of our Company‘s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made/Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

Promise versus Performance – Previous Issues of Company and our Group Entities.

Our Company and our Group Entities are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding debentures or bond issues or redeemable preference shares

Our Company has no outstanding debentures or bonds or redeemable preference shares as on the date of this Red Herring Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Red Herring Prospectus.

Option to Subscribe

Equity Shares being offered through the Red Herring Prospectus can be applied for in dematerialized form only.

Partly Paid-Up Shares

As on the date of this Red Herring Prospectus, there are no partly paid up Equity Shares of our Company.

Stock Market Data for our Equity Shares of our Company

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchanges.

Mechanism for redressal of investor grievances

The agreement dated April 26, 2018 between the Registrar and our Company provides for retention of records with the Registrar to the Issue for a period of at 3 years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar, giving full details such as name, application number, address of the applicant, number of Equity Shares applied for, amount paid at the time of submission of Application Form, the Depository Participant and the bank branch or collection centre where the Application Form was submitted.

In addition to the information indicated above, the Applicant should also specify the Designated Branch or the collection centre of the SCSB or the address of the centre of the Specified Locations or the Registered Broker at the Broker Centre where the Application Form was submitted by the Applicant. Further, with respect to the Application Forms submitted with the Registered Brokers, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue, for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to

redress these complaints as expeditiously as possible.

Our Company has appointed Pusuluru Kodanda Rami Reddy, Company Secretary of our Company as Compliance Officer who will redress complaints, if any, investor complaints and he may be contacted at the following address:

Pusuluru Kodanda Rami Reddy
Door No 4-56, Survey No. 62/1/A & 67,
Tech Mahindra Road, Bahadurpally,
Qutbullapur Mandal, Hyderabad 500043,
Rangareddi, Telangana, India
Telephone: + 91 94409 10081
E-mail: kodanda.cs@ahlada.com
Investor grievance id: investorgrievance@ahlada.com

Investors can contact the Company Secretary and 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 Equity Shares in the respective beneficiary account or unblocking of funds, etc.

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.

Changes in Auditors during the last three financial years

Except as stated below, there has been no change in the Auditors of our Company during the last three financial years:

Name of Auditor	Date of Appointment	Reason for change
M/s. Srinivas Kumar & Co.	August 02, 2017	Resignation
M/s. Kishore & Venkat Associates	August 31, 2017	Appointment

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in the chapter titled "*Capital Structure*" on page 54 of this Red Herring Prospectus.

Revaluation of Assets

Our Company has not re-valued its assets since incorporation.

Tax Implications

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchange. For details, please refer to section titled "*Statement of Tax Benefits*" beginning on page 78.

Purchase of Property.

Except as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoter and / or Directors have any direct or indirect interest in any payment made there under.

Servicing Behaviour

Except as stated in this Red Herring Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of Our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under sections titled *"Our Management"* and *"Related Party Transactions"* beginning on pages 121 and 149 respectively, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VIII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post Issue face value capital is more than ₹ 10 Crore but does not exceed ₹ 25 Crore. Our Company 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 EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue refer please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 271 and 277 respectively of this Red Herring Prospectus.

Following is the Issue structure:

Public issue of 34,05,000 Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) ("Issue Price") aggregating to ₹[●] lakhs ("the Issue") of which 1,71,000 Equity Shares aggregating to ₹[●] lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. issue of 32,34,000 Equity Shares of face value of ₹10.00 each at an Issue Price of ₹[●] per equity share aggregating to ₹[●] lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.35% and 25.03%, respectively of the post issue paid-up equity share capital of our Company.

Particulars	Net Issue to Public^	Market Maker Reservation Portion
Number of Equity Shares	32,34,000* Equity Shares	1,71,000* Equity Shares
Percentage of Issue Size available for allocation	25.03%* of the Issue Size Not more than 40.01% of Net the Issue size shall be available for allocation to QIBs. However, up to 5% of net QIB Portion will be available for allocation proportionately to Mutual Fund only. * Not less than 24.99% of the Net Issue shall be available for allocation to Non Institutional Bidders. Not less than 35% of the Net Issue shall be available for allocation to Retail Bidders.	5.02%* of the Issue Size
Basis of Allotment/ Allocation if respective category is oversubscribed	***For QIB Portion***: Proportionate as follows : (a) Not more than 64,700 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) 12,29,300 Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. ***For Non-Institutional Portion:*** Proportionate subject to minimum allotment of 8,08,000 Equity Shares and further allotment in multiples of 1,000 equity shares each. For further details refer "*Issue Procedure*" on page 277. ***For Retail Individual Portion***: Proportionate subject to minimum allotment of 11,32,000 Equity Shares and further allotment in multiples of 1,000 equity shares each. For further details refer "*Issue Procedure*" on page 277. For further details refer to the section titled "*Issue Procedure – Basis of Allotment*" on page 277.	Firm Allotment

Particulars	Net Issue to Public^	Market Maker Reservation Portion
Mode of Bid cum Application*	All Applications by the Applicants / Bidders must be made compulsorily through ASBA mode (Online or Physical).	Through ASBA mode
Mode of Allotment	Dematerialised form.	Dematerialised form.
Minimum Bid Size	***For QIB and NII:*** Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application size exceeds ₹2,00,000 ***For Retail Individuals:*** 1,000 Equity Shares	1,71,000 Equity Shares
Maximum Bid Size	***For QIB and NII:*** The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable, in multiples of 1,000 Equity Shares. ***For Retail Individuals:*** 1,000 Equity Shares	1,71,000 Equity Shares
Trading Lot	1,000 Equity Shares	1,000 Equity Shares. However, the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations.
Terms of Payment	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.	

**Number of shares may need to be adjusted for lot size upon determination of issue price.*
^The Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company wherein not more than 40.01% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further not less than 24.99% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category other than the QIB Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

** In case of joint bid, the Application Form should contain only the name of the first bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first bidder would be required in the Application Form and such first bidder would be deemed to have signed on behalf of the joint holders.*

Withdrawal of the Issue

The Company, in consultation with the Book Running Lead Manager, 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 final listing and trading approvals of National Stock Exchange of India Limited for listing of Equity Shares offered through this issue on its EMERGE Platform, 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 Book Running 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 offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Bid/Issue Opening Date

Bid/Issue Opening Date	September 11, 2018
Bid/Issue Closing Date	September 18, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before September 24, 2018
Initiation of Refunds	On or before September 25, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before September 25, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before September 27, 2018

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form 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).

Standardization of cut-off time for uploading of Applications on the Issue Closing Date:

a) A standard cut-off time of 3.00 p.m. for acceptance of Applications.
b) A standard cut-off time of 4.00 p.m. for uploading of Applications received from other than Retail Individual Applicants.
c) A standard cut-off time of 5.00 p.m. for uploading of Applications received from only Retail Individual Applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of Applications received up to the closure of timings and reported by Book Running Lead Manager to National Stock Exchange of India Limited within half an hour of such closure.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Offer Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members.

It is clarified that Applications not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of Allotment.

Applications will be accepted only on Working days i.e. 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.

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 the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advices and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the 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 FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The SEBI Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, refer "*Main Provisions of Articles of Association*" on page 321.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on April 12, 2018 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 April 20, 2018.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection to recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association.

Face Value and Issue Price per Share

The face value of the Equity Shares is ₹10.00 each and the Issue Price at the lower end of Price Band is ₹147 per Equity Share and at the upper end of the Price Band is ₹150 per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Manager and advertised in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and all editions of the Telugu newspaper Surya (Telugu being the regional language of Telangana where the Registered Office of our Company is located), each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made

available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & Notices to the members
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, refer "*Main Provisions of Articles of Association*" on page 321.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Telangana, India.

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

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

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders 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.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013 the sole or first Bidder, along with other joint bidders, may nominate any one person in whom, in the event of the death of sole bidder or in case of joint bidders, death of all the bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

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.

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 offer through this Red Herring 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, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

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 collected shall be refunded within 15 days of closure of Issue.

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

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 1,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of National Stock Exchange of India Limited.

Minimum Application Value; Market Lot and Trading Lot

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

1) Tripartite agreement dated June 04, 2018 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.

2) Tripartite agreement dated June 06, 2018 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

Trading of the Equity Shares will happen in the minimum contract size of 1,000 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 National Stock Exchange of India Limited 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 1,000 Equity Share subject to a minimum allotment of 1,000 Equity Shares to the successful Bidders.

Application by Eligible NRIs, FIIs registered with SEBI, VCFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided in "*Capital Structure*" on page 54, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, refer "*Main Provisions of Articles of Association*" on page 321.

Option to receive Equity Shares in Dematerialized Form

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

Migration to Main Board

In accordance with National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the EMERGE Platform of National Stock Exchange of India Limited for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of National Stock Exchange of India Limited from the EMERGE Platform on a later date subject to the following:

a) If the Paid up Capital of the company is likely to increase above ₹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), we shall have to apply to National Stock Exchange of India Limited for listing our 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 but below ₹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 promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered though this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the EMERGE Platform for a minimum period of three years from the date of listing on the EMERGE Platform of National Stock Exchange of India Limited. For further details of the agreement entered into between the Company, the Book Running Lead Manager and the Market Maker refer "*General Information – Details of the Market Making Arrangements for this Issue*" on page 43.

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

Further, the following shall apply to Market Maker 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 of the Market Maker.

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's obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his 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.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one

widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by National Stock Exchange of India Limited to act as intermediaries for submitting Bid cum Application Forms are provided on www.nseindia.com. For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned National Stock Exchange of India Limited website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors with effect from January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.

PART- A

BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via book building process.

The Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company wherein not more than 40.01% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further not less than 24.99% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of

categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

All Bidders applying through cheques or demand drafts are required to submit their Bids through the Syndicate.

In accordance with the SEBI (ICDR) Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their Bids (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Red Herring Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

1) an SCSB, with whom the bank account to be blocked, is maintained
2) a syndicate member (or sub-syndicate member)
3) a stock broker registered with a recognised 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") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN BID?

In addition to the category of Bidders set forth under ***—General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue***, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations, authorised in India to invest in the Equity Shares.

Maximum and Minimum Application Size

a) For Retail Individual Bidders:

The Bid must be for a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed ₹ 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds ₹ 2,00,000 and in multiples of 1,000 Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

INFORMATION FOR THE BIDDERS

a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.

b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.

c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is ₹[●] per Equity Share. The Floor Price of Equity Shares is ₹ 147 per Equity Share and the Cap Price is ₹150 per Equity Share and the minimum bid lot is of 1,000 Equity Shares. Our Company shall also announce the Price Band at least one Working Day before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.

d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.

e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

Option to Subscribe in the Issue

a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only. A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law.

Availability of Red Herring Prospectus and Bid Cum Application Form

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Participation by associated/ affiliates of book Running Lead Manager and syndicate members

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Applications by eligible NRI'S

NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non Residents (blue in colour)

Bids by FPI including FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS by SEBI registered VCFS, AIFS and FVCIS

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to a further public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to a further public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by Mutual Funds

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company‘s paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

Bids by Banking Companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required

to be attached to the Bid cum Application Form, failing which our Company in consultation with the BRLM reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the Banking Regulation Act), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a) (v) (c) (i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds with minimum corpus of ₹25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

Issuance of a Confirmation Note ("CAN") and Allotment in the Issue

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

TERMS OF PAYMENT

The entire Issue price of ₹ [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until

withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

Signing of Underwriting Agreement and Filing of Prospectus with RoC

a) Our Company has entered into an Underwriting agreement dated August 28, 2018 with the BRLM, being the Underwriter to the Issue.
b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act.

Pre- Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Advertisement regarding issue price and Prospectus

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

General instructions:

Do's:

- Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
- Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;

- Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in active status; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online FPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
- Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
- Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid; and
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

- Do not Bid for lower than the minimum Bid size;
- Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
- Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);

- Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
- Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
- Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERFENT PRICE LEVELS AND REVISION OF BIDS

a) Our Company in consultation with the Book Running Lead Manager, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b) Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who—*
a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

Undertakings by our Company

Our Company undertakes as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of NSE where the Equity Shares are proposed to be listed within six working days from Issue Closure date.

3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

4. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;

5. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.

6. If our Company decides not to proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of such decision. The public notice shall be issued in the same newspapers where the Pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

7. Completion of Allotment and dispatch of the Allotment Advice and CAN, including any revisions, if required, and refund orders shall be done within the time prescribed under Applicable Law, and in the event of failure to do so, the Company shall ensure payment of interest to the Bidders in respect of which there was such a failure, as required under Applicable Law

8. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Offer Document with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issue;

9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of the Issue Proceeds

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;

2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested;

4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

6. The complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

Equity Shares in dematerialised form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

1. Agreement dated June 04, 2018 amongst NSDL, the Company and the Registrar to the Issue;

2. Agreement dated June 06, 2018 amongst CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE00PV01013.

PART- B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken inter-alia through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the General Information Document for Investing in Public Issues is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI (ICDR) Regulations").

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and / or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus / Prospectus filed by the Issuer with the Registrar of Companies (RoC). Bidders should carefully read the entire RHP / Prospectus and the Bid cum Application Form / Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP / Prospectus, the disclosures in the RHP / Prospectus shall prevail. The RHP / Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the Book Running Lead Manager to the Issue and on the website of Securities and Exchange Board of India (SEBI) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section Glossary and Abbreviations as mentioned below.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

1.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the DRHP.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.

- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

1.2 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraph 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, 1956 and the Companies Act, 2013 (the Companies Act), The Securities Contracts (Regulation) Rules, 1957 (the SCRR), industry-specific regulations, if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an EMERGE IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

(a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the Book Running Lead Manager has to underwrite at least 15% of the total issue size.

(b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

(c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Book Running Lead Manager shall submit the copy of Red Herring Prospectus and Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus and Prospectus with the Registrar of Companies.

(d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Book Running Lead Manager has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.

(e) The company should have track record of at least 3 years.

(f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive.

(g) The post issue paid up capital of the company (face value) shall not be more than ₹25 crore.

(h) The issuer shall mandatorily facilitate trading in demat securities.

(i) The issuer should not have been referred to Board for Industrial and Financial Reconstruction.

(j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

(k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer.

(l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.

Thus Company is eligible for the issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds ₹1,000 Lakhs but does not exceed ₹2,500 Lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of NSE for listing of our Equity Shares.

1.3 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("Book Built Issues") or undertake a Fixed Price Issue ("Fixed Price Issues"). An issuer may mention Price or Price Band in the Draft Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the red herring prospectus (in case of a book built issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least one Working Day before the Bid / Issue Opening Date, in case of an FPO and at least one Working Day before the Bid / Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP / Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

1.4 Issue Period

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders / Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP / Prospectus for details of the Bid / Issue Period. Details of Bid / Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date, if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid / Issue Period may be extended by at least three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders / Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the Book Running Lead Manager and the advertisement in the newspaper(s) issued in this regard.

1.5 Migration to Main Board

SME Issuer may migrate to the Main Board of NSE from the Emerge Platform of NSE at a later date subject to the following:

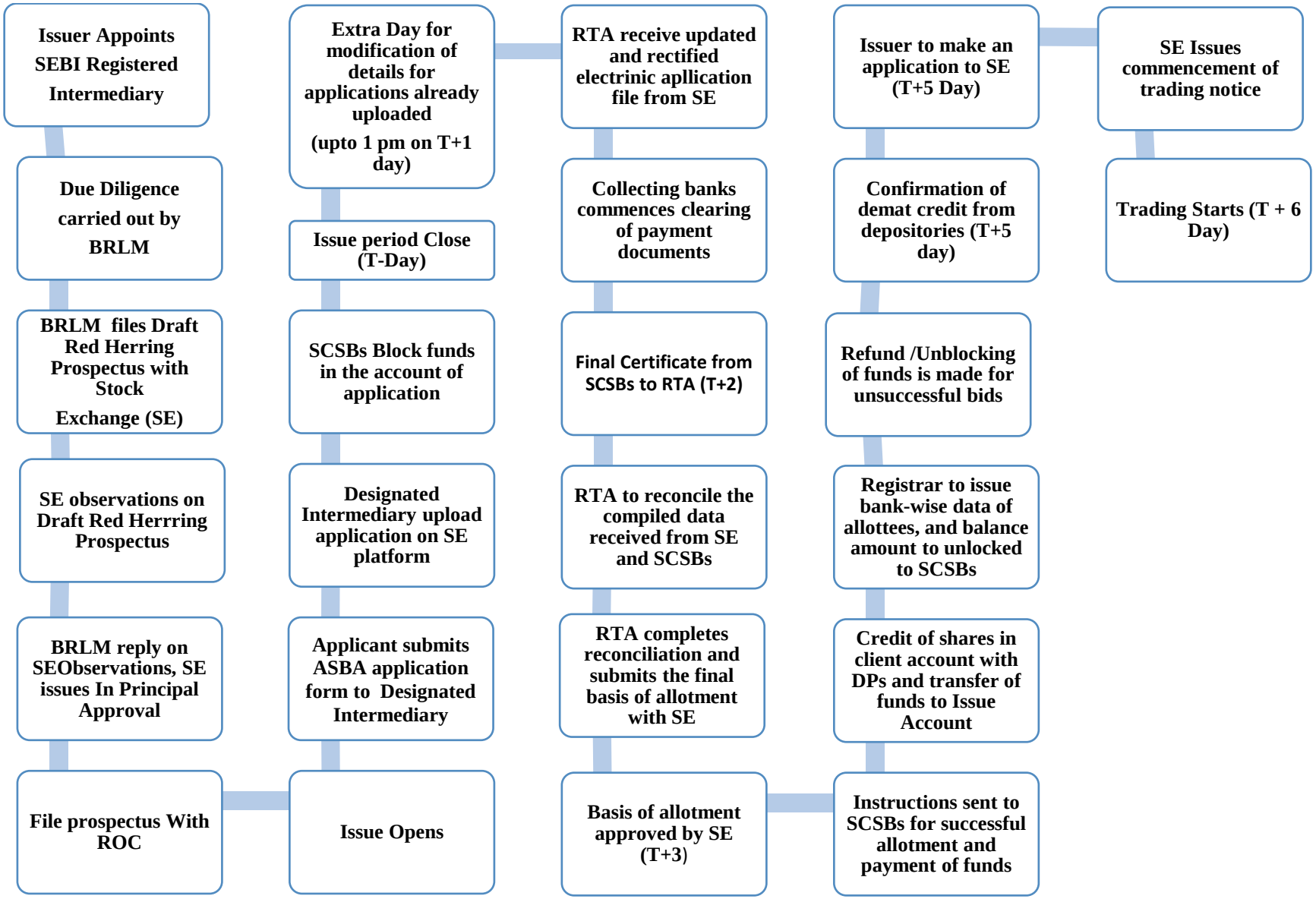
(a) If the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than 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 SE 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 but below ₹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.

1.6 Flowchart of Timelines

A flow chart of process flow in Fixed Price and Book Built Issues is as follows:


Issuer Appoints SEBI Registered Intermediary
Due Diligence carried out by BRLM
BRLM files Draft Red Herring Prospectus with Stock Exchange (SE)
SE observations on Draft Red Herrring Prospectus
BRLM reply on SEObservations, SE issues In Principal Approval
File prospectus With ROC
Issue Opens
Applicant submits ASBA application form to Designated Intermediary
Designated Intermediary upload application on SE platform
SCSBs Block funds in the account of application
Issue period Close (T-Day)
Extra Day for modification of details for applications already uploaded (upto 1 pm on T+1 day)
Basis of allotment approved by SE (T+3)
RTA completes reconciliation and submits the final basis of allotment with SE
RTA to reconcile the compiled data received from SE and SCSBs
Final Certificate from SCSBs to RTA (T+2)
Collecting banks commences clearing of payment documents
RTA receive updated and rectified electrinic apllication file from SE
Instructions sent to SCSBs for successful allotment and payment of funds
Credit of shares in client account with DPs and transfer of funds to Issue Account
Registrar to issue bank-wise data of allottees, and balance amount to unlocked to SCSBs
Refund /Unblocking of funds is made for unsuccessful bids
Confirmation of demat credit from depositories (T+5 day)
Issuer to make an application to SE (T+5 Day)
Trading Starts (T + 6 Day)
SE Issues commencement of trading notice

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;

3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

4. Mutual Funds registered with SEBI;

5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;

6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);

7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

9. State Industrial Development Corporations;

10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;

11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;

12. Insurance Companies registered with IRDA;

13. Provident Funds and Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;

14. Multilateral and Bilateral Development Financial Institutions;

15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;

16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;

17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the website of the Stock Exchange.

Bidders / Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	**Color of Bid cum Application Form (Excluding downloaded forms from SE website)**
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

Bid cum Application Forms are available with the Book Running Lead Manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSB and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid / Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the DRHP / RHP.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

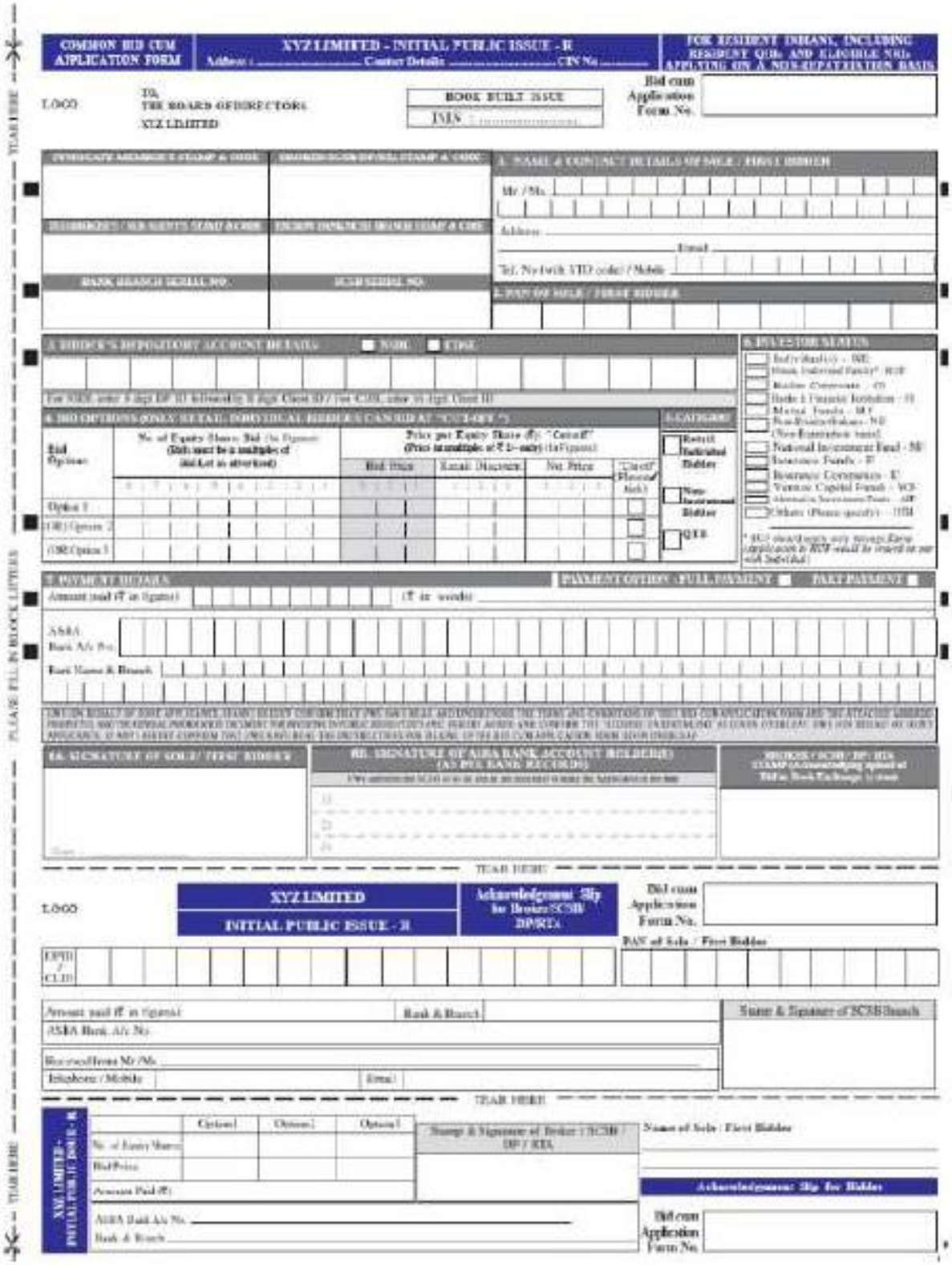
4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form / Application Form are liable to be rejected.

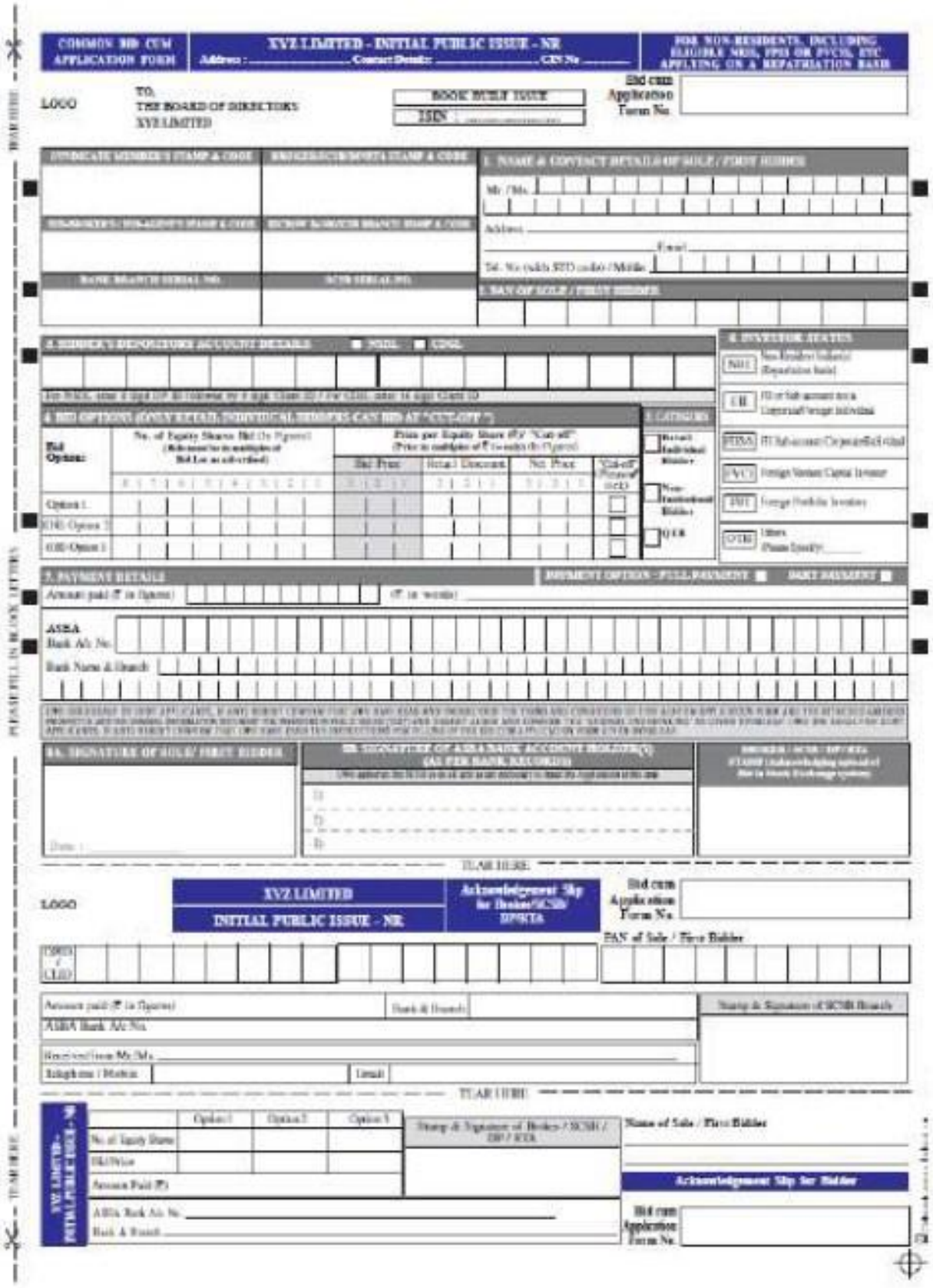
Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

R Bid cum Application Form



NR Bid cum Application ASBA Form


COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

Address : ..... Contact Details: ..... GIN No .....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN :

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/DP'S STAMP & CODE

SUB-SYNDICATE / SUB-AGENT STAMP & CODE

SCSB BRANCH STAMP & CODE

SCSB BRANCH SERIAL NO.

RTA SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address .....

Email .....

Tel. No. (with STD code) / Mobile .....

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Option	No. of Equity Shares Bid (In Figures) (Bid must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) 'Cut-off' (Price in multiples of ₹ ..... (In Figures)) Bid Price	Retail Discount	Net Price	'Cut-off' (Tick if 'Cut-off' is opted)
Option 1					
[•] Option 2					
[•] Option 3					

5. CATEGORY

Retail Individual Bidder

Non-Institutional Bidder

QIB

6. INVESTOR STATUS

NRI Non-Resident Indian (Repatriation basis)

FII or Sub-account (other than a Corporate Foreign Bodies/Individuals)

FPI-III Sub-account (Corporate/Individual)

FVCI Foreign Venture Capital Investor

FPI Foreign Portfolio Investor

OTH Others (Please Specify: .....)

7. PAYMENT DETAILS

PAYMENT OPTION - FULL PAYMENT PART PAYMENT

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/We authorise the Sponsor Bank to make the payment in accordance with the terms and conditions stated in the Abridged Prospectus and Bid cum Application Form. I/We confirm that I/We have neither applied for nor intend to apply for Bid(s) in any other ASBA Form(s) in this Issue. I/We confirm that the above mentioned ASBA Bank A/c is my/our own bank account and is not a third party bank account. I/We confirm that I/We are not Syndicate Members or an employee of the Syndicate Members or promoter or promoter group of the Issuer. I/We confirm that I/We are not Banker to the Issue. I/We confirm that I/We are not Promoter or Promoter Group of the Issuer. I/We confirm that I/We are not a Qualified Institutional Buyer and are not Bidding for more than the Retail Individual Bidder Bid Amount. I/We confirm that I/We are not a Non-Institutional Bidder and are not Bidding for more than ₹ 200,000. I/We confirm that I/We are not a Retail Individual Bidder and are not Bidding for more than ₹ 200,000. I/We confirm that I/We are not a Retail Individual Bidder and are not Bidding for more than ₹ 200,000. I/We confirm that I/We are not a Retail Individual Bidder and are not Bidding for more than ₹ 200,000.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Indicate the details of the application as per the records of the Stock Exchange systems)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

SYND / CLID

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

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

4.1.1 **NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER**

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(a) **Mandatory Fields**: Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number / mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form / Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form / Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

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."

(d) **Nomination Facility to Bidder**: Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

4.1.2 **PAN NUMBER OF SOLE/ FIRST BIDDER**

a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form /Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim (PAN Exempted Bidders). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in active status; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

e) Bids by Bidders whose demat accounts have been suspended for credit are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as Inactive demat accounts and Demographic Details are not provided by depositories.

4.1.3 **BIDDERS DEPOSITORY ACCOUNT DETAILS**

a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected**.

b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.

c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the Issue.

d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders sole risk.

4.1.4 **BID OPTIONS**

a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

b) The Bidders may Bid at or above Floor Price or within the Price Band for FPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

c) Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

d) Minimum Bid Value and Bid Lot: The Issuer in consultation with the Book Running Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above ₹1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

e) Allotment: The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1. **Maximum and Minimum Bid Size**

a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹2,00,000.

b) In case the Bid Amount exceeds ₹2,00,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.

c) For NRIs, a Bid Amount of up to ₹2,00,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP / Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.

e) RII may revise or withdraw their bids until Bid / Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.

f) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

g) A Bid cannot be submitted for more than the issue size.

h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

4.1.4.2. **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII or sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII or sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 **CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.

(c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the DRHP.

4.1.6 **INVESTOR STATUS**

(a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid / apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

(c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders should ensure that their investor status is updated in the Depository records.

4.1.7 **PAYMENT DETAILS**

i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.

iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.

iv. All Bidders can participate in the Issue only through the ASBA mechanism.

v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 **Payment instructions for Bidders**

a) Bidders may submit the Bid cum Application Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.

f) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.

h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.8 **UNBLOCKING OF ASBA ACCOUNT**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue

Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

(d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.8.1 **Discount (if applicable)**

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP / Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.8.2 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 **SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the Bid cum Application Form.

(d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.10 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bid made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue

ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.

iii. Bidders may contact the Company Secretary and Compliance Officer or Book Running Lead Manager in case of any other complaints in relation to the Issue.

iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.

v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker.

vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.

vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.

(c) The following details (as applicable) should be quoted while making any queries –

i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.

ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

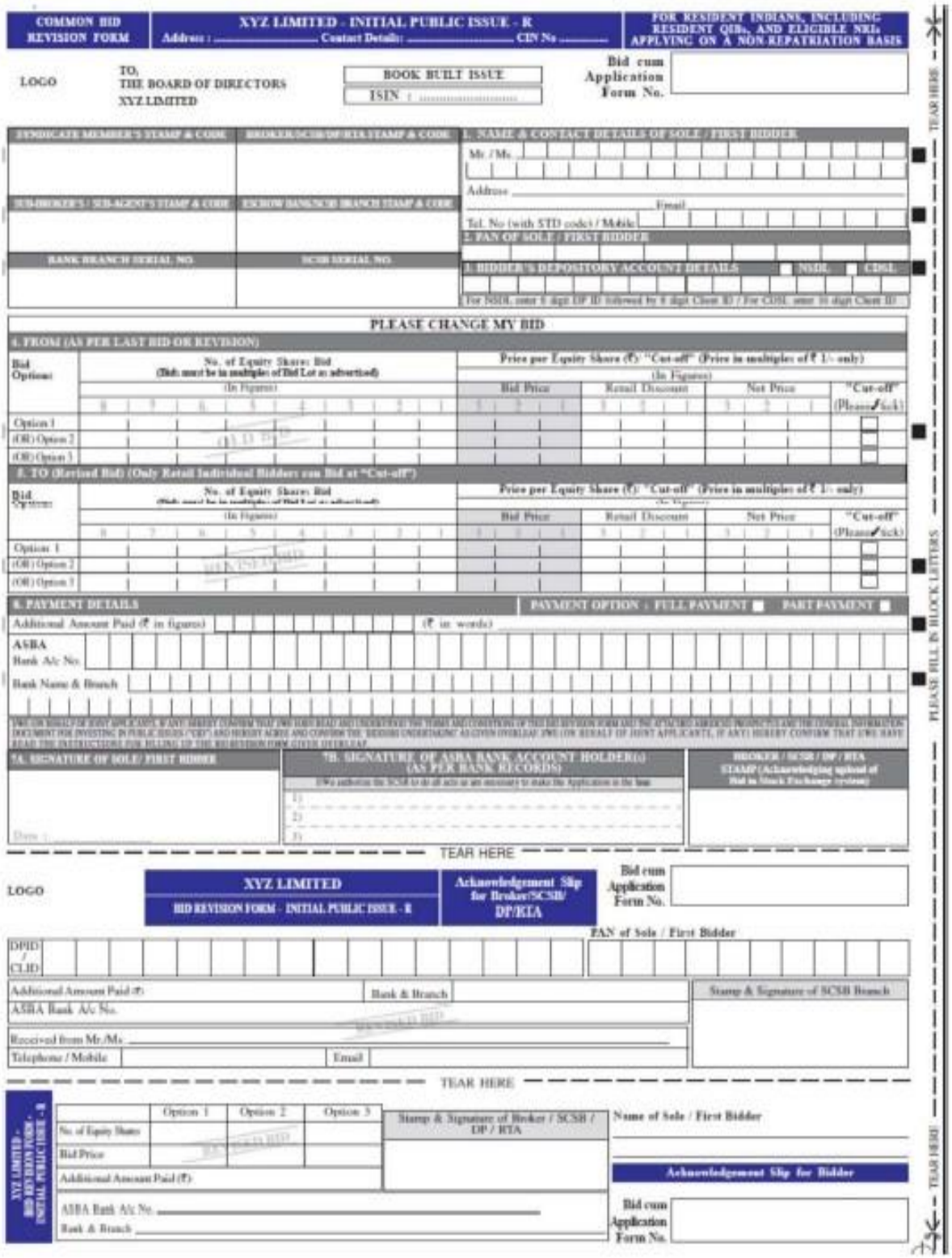
(a) During the Bid / Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.

(b) RII may revise / withdraw their Bid till closure of the Bid / Issue period.

(c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.

(d) The Bidder can make this revision any number of times during the Bid / Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:



4.2.1. **NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OFSOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2. **BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied / bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e. original Bid Amount plus additional payment) exceeds ₹200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3. **PAYMENT DETAILS**

All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4. **SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

4.3.1. **Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-**

Mode of Bid	Submission of Bid cum Application Form
All investors Bids	To the Designated branches of the SCSBs where the ASBA Account is maintained

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid / Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

6.1 **SUBMISSION OF BIDS**

(a) During the Bid / Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

6.2 **ELECTRONIC REGISTRATION OF BIDS**

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid / Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given time till 1:00 pm on the day following the Bid / Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid / Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 **BUILD UP OF THE BOOK**

(a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange's on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid / Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid / Issue Period.

6.4 **WITHDRAWAL OF BIDS**

(a) RIIs can withdraw their Bids until Bid / Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

1. the Bids accepted by the Designated Intermediaries,

2. the Bids uploaded by the Designated Intermediaries, and

3. the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.

b) The Book Running Lead Manager and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) Book Running Lead Manager and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUNDS OF REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid cum Application Forms / Application Form as through a single ASBA Account;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified
- in the DRHP;
- The amounts mentioned in the Bid cum Application Form / Application Form does not tally with the amount payable for the value of the Equity Shares Bid / Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;

- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid (other than by Anchor Investors) accompanied by Stock invest / money order / postal order / cash / cheque /demand draft / pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid / Issue Opening Date advertisement, as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or qualified institutional buyers as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

(d) Illustration of the Book Building and Price Discovery Process.

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the Book Running Lead Manager, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

7.1.1 For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 11,32,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 11,32,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

7.1.2 For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 8,08,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 8,08,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

7.1.3 **For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations 2009 or Prospectus. Bids received from the QIB Category (net of Anchor Portion) at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Issue size less Allotment to Non Institutional Bidders and Retail shall be available for Allotment to Non-QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. The Allotment to all the QIB Bidders will be made at the Issue Price. The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for % of the QIB Portion shall be determined as follows:

(i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.

(ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

(iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

(i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter for 95% of the QIB Portion.

(ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter, along with other QIB Bidders.

(iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 12,94,000 Equity Shares.

7.2 **ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements not more than 60% of the QIB Portion will be allocated to Anchor Investors;

(i) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

(ii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

a. a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;

b. a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and

c. a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) In the event the Issue Price is lower than the Anchor Investor Allocation Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.3 BASIS OF ALLOTMENT FOR QIBS (OTHER THAN ANCHOR INVESTORS) AND NIIS IN CASE OF OVER- SUBSCRIBED ISSUE

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with National Stock Exchange of India Limited (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

i. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).

ii. The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

iii. For Bids where the proportionate allotment works out to less than 1,000 Equity Shares the allotment will be made as follows:

a. Each successful Bidder shall be allotted 1,000 Equity Shares; and
b. The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (ii) above.

iv. If the proportionate allotment to a Bidder works out to a number that is not a multiple of 1,000 Equity Shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1,000 Equity Shares subject to a minimum allotment of 1,000 Equity Shares.

v. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,000 Equity Shares, results in the actual allotment being higher than the

shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this RHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited. The Executive Director / Managing Director of National Stock Exchange of India Limited in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.4 **DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

(i) **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.

(ii) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

(iii) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(iv) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid / Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 Non Receipt of Listing Permission

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised. If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the Prospectus. If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the DRHP.

8.2.2 Non Receipt of Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription

of 100% of the Issue through this offer document including devolvement of 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 73 of the Companies Act, 1956 (or the Company shall follow any other substitution or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 **Minimum Number of Allottees**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 **MODE OF REFUND**

Within 6 Working Days of the Bid / Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

8.3.1 **Mode of making refunds**

i. The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum / or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted / transferred
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least ₹1000 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations
Application Supported by Blocked Amount/(ASBA)/ASBA	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form

Term	Description
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad.
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public offer Account will be opened and in this case being Axis Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 277 of this DRHP.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder, pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid / Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid / Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, or the QIB Bid/ Issue Closing Date, as the case may be (in either case inclusive of such date and the Bid/Issue Opening date) during which Bidders, can submit their Bids, including any revisions thereof. Provided however that the Bidding/Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and unless otherwise stated or implied, includes an ASBA Bidder
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Manager or BRLM	Book Running Lead Manager to the Issue in this case being Saffron Capital Advisors Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National
Business Day	Monday to Friday (except public holiday)
CAN or Confirmation of Allocation Note	The note or advice or intimation of Allocation of Equity Shares sent to each successful bidder who has been allocated Equity Shares, after the Bid / Issue Period
Cap Price	The upper end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI

Term	Description
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Bid cum Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the Book Running Lead Manager. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders / Applicants and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Intermediary (ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time.
Designated Stock Exchange	The designated stock exchange as disclosed in the DRHP/RHP/ Prospectus of the issuer.
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant.
DP ID	Depository Participant‘s Identification Number.
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated June 14, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue.
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details, Bidder / Applicant may refer to the RHP.
Equity Shares	Equity Shares of the Issuer.
FCNR Account	Foreign Currency Non-Resident Account.
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India.
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000.
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Issue	The Initial Public Issue of up to 34,05,000 Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●].
Issuer/Company	The Issuer proposing the Initial public offering/further public offering as applicable
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus.

Term	Description
	Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors.
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition -nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the QIB Portion or 64,700 Equity Shares which shall be available for allocation to Mutual Funds only.
NEFT	National Electronic Fund Transfer
Net Issue	The Issue less reservation portion.
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid cum Application Form.
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs.
NRE Account	Non-Resident External Account.
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the DRHP / RHP / Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares.
NRO Account	Non-Resident Ordinary Account
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the Book Running Lead Manager on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus.
Other Investors	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Allocation Price. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961.
Price Band	Price band of a minimum price of ₹147 per Equity Share (Floor Price) and the maximum price of ₹ 150 per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the Book Running Lead Manager and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation.
Pricing date	The date on which our Company in consultation with the Book Running Lead Manager, will finalise the Issue Price.
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information.

Term	Description
Public Issue Account	Account opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
QIB Portion	The portion of the Issue being not more than 40.01% of the Net Issue, consisting of 12,94,000 Equity Shares, which shall be available for Allocation to QIBs, subject to valid Bids being received at or above the Issue Price.
Red Herring Prospectus or RHP	This Red Herring Prospectus dated August 28, 2018 to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made
Refund Bank(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being Axis Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar /Registrar to the Issue	The Registrar to the Issue being Bigshare Services Private Limited
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Reservation Portion	The portion of the offer reserved for category of eligible Bidders as provided under the SEBI(ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP / RHP / Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed.
Syndicate Agreement	Agreement dated August 28, 2018 entered into amongst the Book Running Lead Manager, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate.
Syndicate Members or Members of the Syndicate	Intermediaries registered with SEBI who are permitted to carry out activities as underwriters, namely, BRLM, Saffron Equity Advisors Private Limited and Sunidhi Securities and Finance Limited.
Underwriter	Saffron Capital Advisors Private Limited

Term	Description
Underwriting Agreement	The agreement dated August 28, 2018 entered into between the BRLM, being the Underwriter to the Issue and our Company
Working Day	Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA and the circulars and notifications issued thereunder. 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. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Accordingly, the process for foreign direct investment ("FDI") and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017 has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DIPP issued the Consolidated FDI Policy Circular bearing No. D/o IPP F. No. 5(1)/2017-FC-1 of 2017 ("FDI Circular 2017"), which, with effect from August 28, 2017, 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 August 28, 2017. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2017 will be valid until the DIPP issues an updated circular. As per the FDI Policy the cap for foreign investment in a financial services company regulated by a sectoral regulator (in our case, being SEBI), is 100% under the automatic route. However, downstream investments by a resident entity which is 'foreign-owned and controlled' within the meaning of the FDI Policy are treated as foreign investment for the purposes of the FDI Policy.

As per current foreign investment policies, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of 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 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 guidelines prescribed by SEBI / RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered 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 U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold only outside of the United States in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

APPLICABILITY OF TABLE "F"

The regulations contained in Table F in the First Schedule to the Companies Act, 2013 shall apply to the Company except so far as they are contrary to the following Articles, which shall be the regulations for the management of the Company. In the event of any conflict between these Articles and the Regulations in Table F, these Articles shall prevail.

1. INTERPRETATION CLAUSE:

The marginal notes hereto shall not affect the construction hereof. In these regulations, the following words and expressions shall have the following meanings unless excluded by the subject or context:-

(a) "Act" or "The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

(b) "Articles" means these Articles of Association or as altered from time to time.

(c) "Beneficial owner" shall have the meaning assigned thereto by Clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.

(d) "Board of directors" or "board" means the collective body of the Directors of the Company;

(e) "Company" or "this Company" shall mean "***AHLADA ENGINEERS LIMITED***".

(f) "Depositories Act, 1996" shall include any statutory modification or re-enactment thereof for the time being in force.

(g) "Depository" shall mean a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996.

(h) "Director" means a Director appointed on the Board of the company.

(i) "Dividend" includes any interim dividend.

(j) "In writing" includes printing, lithography, typewriting and any other usual substitutes for writing.

(k) "Member" in relation to the company, means—

i. the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
ii. every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;
iii. every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

(l) "Memorandum" means the memorandum of association of a company as originally framed or as altered from time to time in pursuance of any previous company law or of this Act.

(m) "Month" shall mean an English Calendar Month.

(n) "Paid-up share capital" means such aggregate amount of money credited as paid-up.

(o) "Person" shall include any partnership, association, corporation, company as well as individuals.

(p) "The Register" means Register of Members to be maintained by the Company as required under Section 88 of the Act and where shares are held in dematerialized form, includes the Register of beneficial owners maintained by a Depository.

(q) "Registrar" means a Registrar, an Additional Registrar, a Joint Registrar, a Deputy Registrar or an Assistant Registrar, having the duty of registering companies and discharging various functions under this Act.

(r) "Share" means a share in the share capital of a company and includes stock.

(s) "Subscribed capital" means such part of the capital which is for the time being subscribed by the members of a company.

(t) "Special Resolution" shall have the meaning assigned thereto by Section 114 of the Act.

(u) "Seal" means the common seal of the Company.

(v) "Whole-Time Director includes a director in the whole-time employment of the company.

(w) Words importing the singular shall include the plural and words importing the plural shall include the singular.

(x) Words importing the masculine gender shall include the feminine gender and vice-versa.

SHARE CAPITAL AND VARIATION OF RIGHTS

2. CAPITAL:

(i). The Authorised Share Capital of the Company be as laid in Clause V of the Memorandum of Association of the Company.

(ii). Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its equity shares, debentures and other marketable securities in accordance with the applicable law and/or regulations promulgated from time to time.

(iii). Every person subscribing to or holding securities of the Company shall have the option to receive the security certificates or to hold the securities in electronic form with a depository.
If a person opts to hold his security with a Depository, the Company shall intimate such Depositories, the details of allotment of the security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate(s) of Securities.

(iv). 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 securities on behalf of the beneficial owner.
Save as otherwise provided above, the depository as the registered owner of the securities shall not have any rights or any other rights in respect of the securities held by it.
The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

(v). Where the securities are held with a depository, the records of the transfer of securities in the name of the beneficial owner may be served by such depository on the Company by means of electronic mode or by delivery of discs.

3. ISSUE / ALLOTMENT OF SHARES:

Subject to the provisions of the Companies Act 2013 and the applicable Rules made thereunder, the Company / Board shall have power to issue / allot shares, whether on preferential basis or otherwise, from time to time and the shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such times as the Directors think fit.

4. POWER TO ISSUE SHARES WITH DIFFERENTIAL VOTING RIGHTS:

The Company shall have the power to issue shares with such differential rights as to dividend, voting or otherwise, subject to the compliance with the provisions of the Act, Rules made thereunder or any other law as may be applicable

5. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES:

The Company may purchase its own Equity Shares or other Securities, as may be specified by the Act, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

6. SHARE CERTIFICATE:

(i). Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided –
   a. one certificate for all his shares without payment of any charges; or
   b. several certificates, each for one or more of his shares, upon payment of such sum for each certificate after the first as may be decided by the Board.

(ii). Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii). In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

7. DUPLICATE CERTIFICATE:

If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

8. SPLITTING AND CONSOLIDATION:

Any person (whether the register holder of the shares or not) being in possession of any Share Certificate(s) for the time being may surrender the said Share Certificate to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive numbers as were comprised in the said Certificates and in such separate lots as he may desire, in lieu of the such share certificates so surrendered, or for the consolidation of the shares comprised in such surrendered certificates into one certificate.

ISSUE OF CERTIFICATES:

9. Every certificate of title to the share or shares shall be issued only in accordance with the provisions of Companies (Share Capital and Debentures) Rules, 2014 or any amendment thereof or any provision of law applicable thereto, for the time being in force.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contract (Regulation) Act, 1956 or any other Act or rules applicable thereof in this behalf.

10. The provisions of Articles 6, 7*, 8* and 9 shall *mutatis mutandis* apply to debentures of the company.

11. TRUST NOT RECOGNISED:

Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

12. POWER TO PAY COMMISSION:

(i). The Company may exercise the powers of paying commissions conferred by sub-section (*6*) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii). The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii). The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

(iv). The Company can also pay on any issue of shares or debentures, brokerage notexceeding such rate as may be prescribed.

13. VARIATION OF RIGHTS:

(i). If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii). To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

(iii). The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *paripassu* therewith.

14. FURTHER ISSUE OF SHARES:

The Company shall be authorised to increase its subscribed capital by issue of further shares in accordance with the provisions of Section 42 and 62 of the Act, and the relevant Rules made thereunder.

PREFERENCE SHARES:

15. The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible and / or redeemable preference shares liable to be converted or redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

15A. Upon the issue of preference shares the provisions of Section 55 of the Act shall apply. Further

i. the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;

ii. the redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;

iii. Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

16. LIABILITY OF JOINT HOLDERS OF SHARES:

The joint holders of a share or shares be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

17. ISSUE OF SHARES OTHER THAN FOR CASH:

The Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered

to the Company in or about the formation or promotion of the Company or the acquisition and/or 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 provided that the said power vested in the directors by this article shall not be exercised except by the unanimous consent of all the Directors and in the absence of such unanimity, with the previous sanction of a special resolution passed at a general meeting of the Company.

18. SWEAT EQUITY:

The Company shall have power to issue sweat equity shares to its employees or directors for cash or against consideration (other than cash) for providing know-how or making available rights in the nature of intellectual property rights or value additions by whatever name called, subject to the provisions of Section 54 of the Act and any other related provisions as may be required for the time being in force.

19. ACCEPTANCE OF SHARES:

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of shares within the meeting of these articles and every person who thus or otherwise accepts any shares and whose name is in the register shall for the purpose of these Articles be a member.

20. DEBENTURES:

Unless otherwise provided, the provisions of these Articles relating to Transfer and Transmission of shares, Share Certificate, Lien, Calls and Forfeiture shall *mutatis mutandis* apply to Debentures.

LIEN

21. COMPANY'S LIEN ON SHARES:

(i). That fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;

(ii). The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Unless otherwise agreed the registration of transfer of shares shall operate as a waiver of the Company's lien if any on such shares.

22. AS TO ENFORCING LIEN BY SALE:

The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made:-

a) unless a sum in respect of which the lien exists is presently payable; or

b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

23. (*i*) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(*ii*) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(*iii*) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

24. APPLICATION OF PROCEEDS OF SALE:

(i). The proceeds of the sale shall be received by the company and applied in payment of such part of the

amount in respect of which the lien exists as is presently payable.

(ii). The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares, at the date of the sale.

CALLS ON SHARES

25. (*i*) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(*ii*) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(*iii*) A call may be revoked or postponed at the discretion of the Board.

(iv) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and that option or right to call of shares shall not be given to any person except with the sanction of the Issuer in general meetings may be required to be paid by installments.

26. LIABILITY OF JOINT HOLDERS OF SHARE:

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

27. INTEREST ON CALLS:

(*i*) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent per annum or at such lower rate, if any, as the Board may determine.

(*ii*) The Board shall be at liberty to waive payment of any such interest wholly or in part.

28. SUMS PAYABLE AT FIXED TIMES TO BE TREATED AS CALLS:

(*i*) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(*ii*) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

29. PAYMENT OF CALL IN ADVANCE:

The Board—

a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

c) That any amount paid up in advance of calls on any share may carry interest but shall not in respect

thereof confer a right to dividend or to participate in profits;

30. PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE:

Neither a judgment nor a decree in favour of the Company for call or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time be due from any member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

31. PERSON BY WHOM INSTALLMENTS ARE PAYABLE:

If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installments shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

32. TRANSFER OF SHARES :

(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

33. BOARD'S RIGHT TO REFUSE TO REGISTER:

The Board may, subject to the right of appeal conferred by section 58 decline to register:-

(*a*) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(*b*) any transfer of shares on which the company has a lien.

34. The Board may decline to recognise any instrument of transfer unles:-

(a) That a common form of transfer shall be used as prescribed in rules made under sub-section (1) of section 56;

(b) The instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) The instrument of transfer is in respect of only one class of shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and transferee has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit.

35. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

36. *(i)* An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee.

(ii) The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

(iii) That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Issuer on any account whatsoever;

37. Nothing in Article 32, 33 and 34 shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law or to refuse to register the transfer of any shares to a transferee whether member or not.

38. TRANSFER FEE:

No fee shall be charged by the Company for registration of transfer or transmission of shares or for registration on the death of any member or for registering any Letters of probate, Letters of Administration and similar documents or for issue of fresh share certificate in lieu of surrendered certificates for consolidation, splitting or otherwise.

39. REGISTER OF MEMBERS:

The Company shall keep one or more books to be called the "Register of Members" and therein shall be entered the particulars of the shares required by the Act to be entered in such register.

40. CUSTODY OF TRANSFER DEEDS:

The instrument of transfer shall, after registration, remain in the custody of the Company.

41. TRANSMISSION OF SHARES:

(i). On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii). Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

42. RIGHTS AND LIABILITIES OF LEGAL REPRESENTATIVES:

(i). Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:-

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii). The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

43. NOTICE OF ELECTION BY LEGAL REPRESENTATIVES:

(i). If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii). If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii). All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by

that member.

44. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

45. COMPANY'S RIGHT TO REGISTER TRANSFER BY APPARENT LEGAL OWNER:

The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right or referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any such 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 the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall think fit.

FORFEITURE OF SHARES

46. IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN:

If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

47. FORMS OF NOTICE:

The notice aforesaid shall:-

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

48. IF NOTICE NOT COMPLIED WITH SHARES MAY BE FORFEITED:

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

49. SALE OF FORFEITED SHARES:

(i). A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii). At any time before a sale or disposal as aforesaid, the Board may cancel the forfeituon such terms as it thinks fit.

50. LIABILITY AFTER FORFEITURE:

(i). A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii). The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

51. DECLARATION OF FORFEITURE:

(i). A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii). The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii). The transferee shall thereupon be registered as the holder of the share; and

(iv). The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

52. NON-PAYMENT OF SUMS PAYABLE AT FIXED TIMES:

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

53. SURRENDER OF SHARES:

The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other shares.

54. SET-OFF MONEYS DUE TO SHAREHOLDERS:

Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him either alone or jointly with any other person, to the Company in respect of calls.

ALTERATION OF CAPITAL

55. POWER TO INCREASE OR REDUCE CAPITAL:

The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

56. *(i)* Subject to the provisions of section 61, the company may, by ordinary resolution,:-

(*a*) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
(*b*) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
(*c*) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
(*d*) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

(ii) Except so far as otherwise provided by the conditions of issue or by these Articles, the new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

57. CONVERSION OF SHARES INTO STOCK:

Where shares are converted into stock,:-

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

58. REDUCTION OF CAPITAL:

The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,:-

(a) its share capital;
(b) any capital redemption reserve account; or
(c) any share premium account.

59. CAPITALISATION OF PROFITS:

(i). The Company in general meeting may, upon the recommendation of the Board, resolve—

a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii). The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(iii). A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

60. (*i*) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or debentures if any; and
(b) generally do all acts and things required to give effect thereto.

The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(*iii*) Any agreement made under such authority shall be effective and binding on such members.

GENERAL MEETINGS

61. ANNUAL GENERAL MEETING:

a. In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next.

b. A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

c. With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

d. When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

e. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

f. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

62. EXTRAORDINARY General Meeting:

(i). All general meetings other than annual general meeting shall be called extraordinary general meeting.

(ii). The Board may, whenever it thinks fit, call an extraordinary general meeting.

(iii). If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

63. (i) Accidental omission to give notice of any General Meeting, whether AGM and / or EGM to any members or any other person entitled thereto, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

(ii) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

64. PASSING RESOLUTION BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, the Company shall transact the same by means of a postal

ballot (including voting by electronic means), instead of transacting the business in the General Meeting of the Company. Also, the Company 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 the same by way of postal ballot (including voting by electronic means).

Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

PROCEEDINGS AT GENERAL MEETING

65. Quorum:

(i). No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii). Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

66. CHAIRMAN OF GENERAL MEETING :

a. The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director be present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

b. The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate 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.

c. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

67. ADJOURNMENT OF MEETING:

(i). The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
(ii). No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
(iii). When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
(iv). Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

68. CASTING VOTE:

In the case of an equality of votes, the Chairman of the meeting shall have a casting vote in addition to the vote or votes to which he may be entitled as a member.

69. DEMAND FOR POLL:

A poll demanded for adjournment of the meeting or appointment of Chairman of the meeting shall be taken forthwith. A poll demanded on any question other than adjournment of the meeting or appointment of Chairman shall be taken at such time, not being later than forty-eight hours from the time when the demand was made, as the Chairman of the meeting may direct.

VOTING RIGHTS

70. VOTES:

Subject to any rights or restrictions for the time being attached to any class or classes of share, on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.

71. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

72. JOINT HOLDERS:

(i). In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii). For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

73. MEMBER OF UNSOUND MIND:

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote either on his own or by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

74. BUSINESS MAY PROCEED NOTWITHSTANDING DEMAND FOR POLL:
Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

75. NO MEMBER ENTITLED TO VOTE WHILE CALL DUE TO COMPANY:

No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

76. VALIDITY OF VOTES:

(i). No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii). Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

77. PROXIES PERMITTED ON POLLS

On a poll, votes may be given either personally or by proxy. A Company may vote in accordance with the provisions of Section 113 of the Act and the rules made thereunder.

PROXY

78. PROXY TO BE DEPOSITED AT THE OFFICE:

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

79. FORM OF PROXY

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.

80. VALIDITY OF VOTE BY PROXY:

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

81. NUMBER OF DIRECTORS:

Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 (three) and not more than 15 (fifteen).

82. CHAIRMAN OF THE BOARD OF DIRECTORS

i. Notwithstanding the fact that Managing Director or the Chief Executive Officer of the Company or any other Key Managerial Personnel, may be the Chairman of the Company, who shall act as Chairman of the Meetings of the Board, until he resigns from the said office or the Board determines otherwise.

ii. Notwithstanding the aforesaid, the members of the Board may elect any one of them as the Chairman of the Board.

iii. Subject to Article 66, the Chairman shall preside at all meetings of the Board and the General Meetings of the Company. The Chairman shall have a casting vote in the event of a tie.

iv. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

83. ALTERNATE DIRECTOR

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months from India. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

84. CASUAL VACANCY AND ADDITIONAL DIRECTOR

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 81**.** Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

NOMINEE DIRECTOR

85. APPOINTMENT

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board

for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

86. RIGHTS OF NOMINEE DIRECTOR

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

87. NO QUALIFICATION SHARES FOR DIRECTORS

A Director shall not be required to hold any qualification shares of the Company.

88. REMUNERATION OF DIRECTORS

Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the listing agreement, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or by way of commission calculated at a specified percentage of the net profits of the Company or a lump sum amount or partly by one way and partly by the other, subject to the limits prescribed under the Act.

Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be determined by the Board from time to time for each meeting of the Board or any Committee thereof attended by him.

In addition to the sitting fee for attending meetings of the Board or committees, the non-executive Directors shall also be entitled to receive remuneration in accordance with the provisions of Section 197 of the Act and the applicable Rules made thereunder.

89. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

90. TRAVEL EXPENSES OF DIRECTORS

The Board shall be entitled to bear, pay and even reimburse to any Director, such sum as the Board may consider fair compensation for travelling, lodging and/ or other expenses, in addition to his fee for attending such Board / Committee meetings or Shareholders Meetings, as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

91. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 81 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

92. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing Director or the Directors appointed as a Debenture Director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article. Provided that, if at any time the number of Directors (including whole-lime Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being then such of the whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors at any point of time.

93. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.

Subject to these Articles and Section 149 and 152 of the Act, the Company may, by Special Resolution, from time to time, increase or reduce the number of Directors, and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

94. MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER

Subject to the provisions of Section 203 of the Act and the provisions these Articles, the Board shall have the power to appoint Managing Director/ whole time director, executive director or manager of the Company.

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

The Board / members shall be empowered to fix the remuneration of a Managing Director/ whole time director or executive director or manager by way of fixed salary and/or perquisites or commission calculated at a specified percentage of the net profits of the Company or a lumpsum amount, or by any or all these modes or any other mode not expressly prohibited by the Act in accordance with the provisions of Section 197 of the Act read with Schedule V thereto.

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to

the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager.

PROCEEDINGS OF THE BOARD OF DIRECTORS

95. BOARD MEETINGS:

(a) At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.

(b) 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 prescribed, 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. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.

96. VENUE OF BOARD MEETING:

The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman may determine.

97. NOTICE OF BOARD MEETING

The Company Secretary or such other person so authorised shall, as and when directed by the Chairman convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.

At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

98. QUORUM FOR BOARD MEETINGS

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

99. QUESTIONS AT THE BOARD MEETINGS HOW DECIDED

(a) Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. Each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting. In the case of an equality of votes, the Chairman shall have a second or casting vote.

(b) 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.

100. POWERS OF THE BOARD

(a) The Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act, subject to the provisions of Section 179 and 180 of the Act and the applicable Rules made thereunder, or by the memorandum and articles of association of the Company.

(b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

(c) All powers and duties vested in the Managing/Whole-Time Director(s) for the time being in accordance with the provisions of these present or by a resolution of the Board of Directors may subject to any directions to the contrary by the Board, be exercised by any one of them.

101. POWER TO BORROW:

The Board of Directors may from time to time but subject to the provisions of Section 179 and 180 of the Companies Act, 2013 read with rules made thereunder raise any money or monies or sums of money for the purpose of the Company as they deem fit by the issue of debentures, promissory notes or by opening current accounts, or by receiving deposits and advances with or without security, or by issue of bonds and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge, the whole or any part of the undertaking property, rights, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided that the Directors may by resolution at a meeting of the Board delegate the power to borrow money otherwise than on debentures to a Committee of Directors or the Managing Director or Whole-Time Director or Manager subject to the limits upto which the money may be so borrowed as may be specified in the said resolution.

102. COMMITTEES AND DELEGATION BY THE BOARD

(a) The Board may in accordance with the provisions of the Act or any other Law and the provisions of the listing agreement, form such committees comprising such members (whether forming part of Board or not) as may be required and deemed necessary.

(b) Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

(c) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to the Committees as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to persons or purposes. Every Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

(d) All acts undertaken at any meeting of the Board or of a Committee, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in

the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

103. PASSING OF RESOLUTION BY CIRCULATION

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 form, 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 provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors 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.

A resolution mentioned 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.

104. MINUTES OF THE PROCEEDINGS OF THE BOARD MEETINGS

a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

c) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -

i. all appointments of Officers;
ii. the names of the Directors present at each meeting of the Board;
iii. all resolutions and proceedings of the meetings of the Board;
iv. the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.

d) Nothing contained in sub Articles (a) to (c) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -

i. is or could reasonably be regarded as defamatory of any person;
ii. is irrelevant or immaterial to the proceedings; or
iii. is detrimental to the interests of the Company.

e) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (d) above.

f) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

105. POWER TO REMOVE DIRECTORS BY ORDINARY RESOLUTION:

Subject to provisions of Section 169 of the Act, the Company may, by an ordinary resolution remove any Director before the expiry of his period of office and may by an ordinary resolution appoint another person in his place. A Director so appointed shall hold office upto the date which his predecessor would have held office if he had not been removed.

106. ACTS DONE BY MEETING VALID NOTWITHSTANDING DEFECTIVE APPOINTMENT:

All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

107. ATTORNEY OF THE COMPANY:

Subject to the provisions of Section 179 of the Act and the rules made thereunder, the Directors may by majority appoint at any time and from time to time by a power of attorney under the Company's seal, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as the Board may from time to time think fit and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

108. POWER TO AUTHORISE SUB-DELEGATION:

The Directors may by majority, authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.

109. CHARGE ON UNCALLED CAPITAL

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Board may, by instrument under the Company's seal, authorize the person in whose favour such mortgage or security is executed or any other person in trust for him, to make calls on the members in respect of such uncalled capital, and the provisions herein before contained in regard to calls, shall mutatis mutandis apply to calls and the power to make such calls may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

110. SUBSEQUENT ASSIGNEES OF UNCALLED CAPITAL:

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

111. CHARGES IN FAVOUR OF DIRECTOR FOR INDEMNITY:

If the Directors or any of them or any other person 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 of the assets of the Company by way of indemnity to secure the Directors or other person so becoming liable as aforesaid from any loss in respect of such liability.

112. EXPENSES TO BE CHARGED TO THE COMPANY:

The Managing/Whole-Time Director(s) shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part-time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company for any remuneration that they may pay to such part-time employees.

113. POWERS OF MANAGING/WHOLE-TIME DIRECTORS:

The Managing/Whole-time Director shall, subject to the supervision and control of the Board of Directors have power to do all such acts and things which are usually necessary or desirable in the management of the affairs of the Company. Without prejudice to the generality of the powers conferred hereby, he shall have interalia, the following broad powers subject to the supervision and control of the Board of Directors:-

a. To pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company and fees and stamps paid in respect thereof and the costs of advertising, printing, stationery, brokerage, legal charges, furniture and fittings of office and such other costs.

b. To sell for cash or on credit and either wholesale or in retail and for ready or future delivery and realize the proceeds of sale of property, movable or immovable or any rights or privileges belonging to the Company or in which the Company is interested or over which the Company may have any such power of disposal and to exchange any such property or right belonging to the Company for other property or rights.

c. To determine from time to time who shall be entitled to sign on the Company's dividend warrants, cheques, promissory notes, bills of exchange and other negotiable instruments, releases, contracts and to give the necessary authority for such purposes.

d. To execute all deeds, agreements, contracts, receipts and other documents that may be necessary or expedient for the purposes of the Company and to make and give receipts, releases and other discharges for moneys or goods of property received in the usual course of business of the Company or lent or payable to or belonging to the Company and for the claims and demands of the Company.

e. To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its offences, or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.

f. To enter into, vary or cancel all or nay of the contracts entered into by or on behalf of the Company.

g. To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisors, accountants, managers, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ and remunerate such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interests of the Company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Managing/Whole-time Director shall think fit.

h. To acquire, purchase, lease, exchange, pledge, hypothecation or otherwise transfer, lands, estates, fields, buildings, office show-rooms, go downs and other buildings, machinery, engine, plant, rolling stock, tools, machine tools, outfits, stores, hardware and any other materials or whatever description either on credit or for cash and for present or future delivery.

i. To plant, develop, improve, cut down, process, sell or otherwise, dispose of the products of the Company and to incur all expenses in this behalf.

j. To erect, maintain, repair, equip, alter and extend buildings and machinery in any place.

k. To enter into all 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 for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

l. To pay all moneys due by the Company and look after the finance of the Company.

m. To open current and time-deposit account or other accounts with banker or bankers at their choice and to operate on such accounts and also when necessary to overdraw or take loans on such accounts on the security of the Company or of any of its assets.

n. To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills or exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instruments, bonds, debentures or debenture-stocks of Corporation, local bodies, port trust, improvement trusts or other corporate bodies and to execute transfer deeds for transferring stocks, shares or stock certificates of the Government and other local or corporate bodies in connection with any business or any subject of the Company.

o. Subject to Article 94 to borrow from time to time such sums of money for the purposes of the Company upon such terms as may be expedient and with or without security.

p. To receive or give effectual receipts and discharge on behalf of and against the Company for moneys, funds, goods or property lent, payable or belonging to the Company or for advances against the goods of the Company.

q. To make or receive advance of money, goods, machinery, plant and other things by way of sale, mortgage, hypothecation, lien, pledge, deposit or otherwise in such manner and on such terms as the Managing/Whole-time Director may deem fit.

r. To submit to arbitration and enforce the fulfillment of awards regarding any claims in which the Company may be interested, to adjust, settle or compromise any claims due to or by the Company and to give to debtors of the Company time for payment.

s. To institute, appear in or defend any legal proceeding in the name of and on behalf of the Company, to sign any pleading and other documents, to engage and to instruct any Advocate, Solicitors and Lawyers and to execute any vakalat or other authority in their favour and to compound and compromise any claim, suit or proceedings.

t. To make all manner of insurances.

To delegate all or any of the powers, authorities and discretions for the time being vested in the Managing/Whole time Director and also from time to time provide by the appointment of an attorney or attorneys to sign seal, execute, deliver, register or cause to be registered all instruments, deeds, documents or writings, usually necessary or expedient for any of the purposes of the Company and not requiring the common seal of the Company, provided that the Directors may from time to time revoke, withdraw, alter or vary all or any of the above powers, provided that the Managing/Whole-time Director shall not exercise the power to:

i. make calls on shareholders in respect of moneys unpaid on the shares of the Company.

ii. issue debentures, borrow moneys or make loans except within the limits as may be fixed by the Directors at a Board meeting.

THE SEAL

114. COMMON SEAL:

The Directors shall provide a seal of the Company and shall have power from time to time to destroy the same and substitute a new seal inlieu thereof. The seal shall be kept at the Registered Office of the Company and committed to the custody of the Managing Director or any other Director or the Secretary or such other person as the Board may determine from time to time.

115. DEEDS HOW EXECUTED:

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least one director and of the company secretary or such other person as the Board may appoint for the purpose; and such director and the company secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Provided nevertheless that any instrument bearing the seal of the Company shall be binding on the Company notwithstanding any irregularity relating the authority to issue the same; provided further also that the counter signature of the Company Secretary or the authorized person shall not be necessary in the case of instruments executed in favour of a Managing/Whole-Time Director which shall be sealed in the presence of any other Director and signed by him on behalf of the Company.

DIVIDENDS AND RESERVE

116. APPLICATION OF PROFIT:

The profit of the Company, subject to any special rights relating thereto created or authorised to be created by these present, and subject to the provisions of these present as to the Reserve Fund, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.

117. DECLARATION OF DIVIDEND:

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

118. INTERIM DIVIDEND:

Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

119. DIVIDEND TO BE PAID OUT OF PROFITS ONLY:

No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

120. TRANSFER OF SHARE NOT TO PASS PRIOR DIVIDEND:

Any transfer of shares shall not pass any right to dividend declared thereon before the registration of transfer.

121. RESERVE FUNDS:

(i). The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii). The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

122. METHOD OF PAYMENT OF DIVIDEND:

(i). Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii). No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.

(iii). All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

123. DEDUCTION OF ARREARS:

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

124. ADJUSTMENT OF DIVIDEND AGAINST CALLS:

Any general meeting declaring a dividend or bonus may make a call on the members of such amount as the meeting fixes, but the call on each member shall not exceed the dividend or bonus payable to him and that the call be made payable at the same time as the dividend or bonus is payable/credited and be set off against the call**.**

125. BONUS OR DIVIDEND IN SPECIE:

(i). Any general meeting declaring dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and the Board shall give effect to the resolution of the meeting.

(ii). Where any difficulty arises in regard to such distribution, the Board may settle the same as they think fit and expedient and in particular may issue fractional certificates and fix the value of distribution so that cash payment shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Board.

126. PAYMENT BY CHEQUE OR WARRANT:

(i). Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque /warrant/ electronic mode sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address as the holder or joint holders may in writing direct.

(ii). Every such cheque /warrant shall be made payable to the order of the person to whom it is sent.

(iii). Every such cheque or warrant shall be posted within such time as may be prescribed by the Act and the rules made thereunder from the date of declaration of the dividend.

127. RECEIPT OF JOINT HOLDERS:

Any one of two or more joint holders of a share may give effective receipts for any dividend, bonuses, or other monies payable in respect of such share.

128. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

129. DIVIDEND NOT TO BEAR INTEREST

No dividend shall bear interest against the Company**.**

130. UNCLAIMED DIVIDEND

No unclaimed dividend shall be forfeited by the Board and the Company shall comply with provisions of the Act in connection with transfer of unpaid/unclaimed dividend.

131. TRANSFER OF SHARE NOT TO PASS PRIOR DIVIDEND

Any transfer of shares shall not pass any right to dividend declared thereon before the registration of transfer.

ACCOUNTS

132. ACCOUNTS TO BE KEPT:

(i). The Directors shall cause proper books of accounts to be kept in respect of (a) all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place; (b) all sales and purchases of goods and services by the Company; and (c) the assets and liabilities of the Company.

(ii). If the company has a branch office whether in India or outside India, proper books of accounts relating to the transactions effected at that office shall be kept at that office, and proper summarized returns periodically shall be sent by the branch office to the Company at its registered office or other place in India, as the Board may think fit, where the main books of the Company are kept.

(iii). The books of account shall be kept at the Registered Office or at such other place in India as the Board thinks fit and shall be open to inspection by any Director during business hours.

(iv). All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain its transactions.

133. INSPECTION BY MEMBERS:

The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions and regulations the accounts and books and 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 inspection of any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

134. STATEMENT OF ACCOUNTS TO BE FURNISHED IN GENERAL MEETING:

The Board shall lay before each Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date that shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.

FINANCIAL STATEMENTS

135. Subject to the provisions of Section 129 of the Act, the financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

136. The financial statements including Consolidated Financial Statements of the Company shall be signed on behalf of the Board in accordance with the provisions of the Section 134 of the Companies Act, 2013.

137. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of the Act and before they are submitted to the Auditors for their report thereon.

138. BOARD'S REPORT TO BE ATTACHED TO FINANCIAL STATEMENTS:

(i). The financial statements laid before the Company in General Meeting shall have attached to it a report by the Board including the matters specified under section 134 of the Act.

(ii). The Board's report and any annexures thereto shall be signed by the Chairman of the Company if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by atleast two directors, one of whom shall be a Managing Director in accordance with the provisions of section 134 of the Act.

(iii). The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of this Article are complied with.

AUDIT

139. ACCOUNTS TO BE AUDITED:

The financial statements shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

140. APPOINTMENT OF AUDITORS:

The appointment of Auditors shall be in accordance with the provisions of Section 139 of the Act read with the rules made thereunder.

141. REMUNERATION OF AUDITORS:

The remuneration of the Auditors shall be fixed by the Company in General Meeting or in such manner as may be determined therein.

142. Every account of the Company when audited and approved by a General Meeting shall be conclusive. However, the said audited financial statements may be re-opened in compliance with the provisions of section 130 of the Act.

SERVICE OF DOCUMENTS AND NOTICES

143. A document may be served on a Company or an officer thereof by sending it to the Company or 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 prescribed under section 20 of the Act and the rules made thereunder.

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.

144. *(i)* Save as provided in the 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 prescribed:

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.

*(ii)*Where a document is sent by post, such service shall be deemed to be effected - (i) in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the same is posted; and (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

145. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

146. PERSONS ENTITLED TO NOTICE OF GENERAL MEETING:

Subject to the provisions of the Act, notice of General Meeting 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.

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.

147. Every person, who by the operation of law, transfer, or by other means whatsoever, shall become entitled to any share, shall have the right to every document in respect of such share which, previously to his name and address being entered on the registrar, shall have been duly served on or sent to the person from whom he derives his title to such shares.

148. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Board may appoint. The Signature to any notice to be given by the Company may be written or printed or lithographed or even may not bear any signature in case of electronic / computer generated communication.

149. SECRECY CLAUSE

Every Director, Managing Director, Whole-Time Director, Manager, Secretary, Auditor, Trustee, Member of the Committee, Officer, Servant, Agent, Accountant, or other person employed in the business of the Company shall if so required by the Board before entering upon his duties, or at any time during his term of the office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall buy such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Director or by any general meeting or by a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these articles.

150. NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION:

No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board or, to require discovering of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of the trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

151. INDEMNITY

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.

152. DIRECTOR'S ETC., NOT LIABLE FOR CERTAIN ACTS

Subject to the provision of section 192 of the Act, no Director, Manager, Officer or Employee of the company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part , or for any other loss ,damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other officer by reason of his holding the said office shall be paid and borne by the company.

153. LEGAL PROCEEDINGS

(i). Without derogation of powers vested in the Board of Directors or in the Managing / Whole-Time Director by virtue of any law or the Act or the Articles of the Company, the Managing Director/Whole-Time Director shall be empowered to institute, conduct, defend, compound or abandon any actions suits and legal proceedings, both civil and criminal on behalf of the Company and also compromise or submit the same for arbitration.

Further, any Director authorised by the Board shall be empowered to institute, conduct, defend, compound or abandon any actions suits and legal proceedings, both civil and criminal on behalf of the Company and also compromise or submit the same for arbitration.

(ii). The aforesaid persons may delegate the powers vested above to any other person.

154. WINDING UP

If the Company shall be wound up and the assets available for distribution amongst members as such shall be insufficient to repay the whole of the paid-up capital or capital deemed to be paid-up, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or deemed to be paid-up at the commencement of the winding up, on the shares held by them respectively; and if in a winding up the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid up or deemed to be paid up at the commencement of the winding up on the shares held by them respectively. Where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall be excluded and shall be repayable in full before any distribution is made on the paid up capital or capital deemed to be paid up together with interest at the rate agreed upon. The provisions of this article shall be subject to any special rights or liabilities attached to any special class of shares forming part of the capital of the Company.

155. DIVISION OF ASSETS OF THE COMPANY IN SPECIE AMONG MEMBERS:

The liquidators may with the sanction of a special resolution divide amongst the members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) 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 members or any of them as the liquidators, with the like sanction, shall think fit.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company between 10.00 a.m. to 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

A. Material Contracts to the Issue

1. MOU dated May 04, 2018, entered into between our Company and the Book Running Lead Manager.

2. Registrar Agreement dated April 26, 2018, entered into between our Company and the Registrar.

3. Market Making Agreement dated August 28, 2018 entered into between our Company, the Book Running Lead Manager and the Market Maker.

4. Underwriting Agreement dated August 28, 2018 between our Company, the Book Running Lead Manager.

5. Syndicate Agreement dated August 28, 2018 between our Company, Book Running Lead Manager and Syndicate Members

6. Tripartite Agreement dated June 04, 2018 entered into between our Company, NSDL and the Registrar.

7. Tripartite Agreement dated June 06, 2018 entered into between our Company, CDSL and the Registrar.

8. Public Issue Agreement dated July 31, 2018 entered into between our Company, the Book Running Lead Manager, Refund Bank/ Banker to the Issue and the Registrar to the Issue.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.

2. Certificate of Incorporation dated August 10, 2005, issued by the Registrar of Companies, Andhra Pradesh at Hyderabad.

3. Fresh certificate of incorporation consequent upon conversion to public limited company dated February 6, 2018 issued by the Registrar of Companies, Andhra Pradesh and Telangana, at Hyderabad.

4. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated April 12, 2018 and April 20, 2018, respectively, authorizing the Issue.

5. Resolution of the Board of Directors and the IPO Committee dated June 11, 2018 and June 14, 2018 respectively, approving this Draft Red Herring Prospectus.

6. Resolutions of our Board and IPO Committee dated August 28, 2018, approving this Red Herring Prospectus.

7. The reports of the Statutory Auditor, M/s. Kishore & Venkat Associates dated May 09, 2018 on our Company's restated financial information.

8. Statement of tax benefits dated May 10, 2018 issued by Statutory Auditor, M/s. Kishore & Venkat Associates, included in this Red Herring Prospectus.

9. Consent of the Statutory Auditors, M/s. Kishore & Venkat Associates, Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an expert, as defined under Section 2(38) of the Companies Act, 2013, in relation to their audit report

dated May 09, 2018 on our restated standalone and audited financial information and the statement of tax benefits respectively in the form and context in which it appears in this Red Herring Prospectus.

10. Consent of the Directors, the BRLM, the Syndicate Members, Legal Counsel, Registrar to the Issue , Refund Banker, Underwriter, Market Maker, Bankers to the Issue, Lenders to our Company, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

11. Master Manufacturing and Supply Agreement dated August 22, 2017 entered into between Tata Steel Limited and our Company. Pursuant to the NOC dated April 09, 2018 received from Tata Steel Limited, our Company is permitted to provide inspection of the said agreement, without the annexures, and only in the presence of an authorized representative of Tata Steel Limited. Accordingly, investors who intend to inspect the said agreement (excluding the annexures) at the Company's Registered Office, are required to provide at least 5 working days prior written notice to the Company at its Registered Office.

12. Non-Compete Agreements entered into between our Company and Ahlada HVAC Systems Private Limited and our Company and Ahlada Clean Room Tech Private Limited, both dated June 13, 2018.

13. In-principle application dated June 15, 2018 made by the Company to NSE and In-Principle approval dated July 30, 2018 received from the NSE for listing the Equity Shares on NSE Emerge and to include their name in the Offer Document.

14. Due Diligence Certificate(s) issued by the Book Running Lead Manager to be submitted to SEBI at the time of filing the RHP and Prospectus respectively.

15. NSE requirement email dated July 19, 2018 and letters bearing no. NSE/LIST/168 dated July 18, 2018, July 23, 2018 and July 27 2018.

Any of the contracts or documents mentioned in this Red Herring 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, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

Signed by all the Directors, Chief Financial Officer and Company Secretary and Compliance Officer of our Company

_____	_____
(Koduru Iswara Varapasad Reddy)	**(Chedepudi Suresh Mohan Reddy)**
(Chairman and Non-Executive Director)	**(Managing Director)**
_____	_____
(Kurre Raja Sekhar Reddy)	**(Konda Bala Gangadhara Reddy)**
(Whole-time Director)	**(Whole-time Director)**
_____	_____
(Kuchuru Vinod Kumar Reddy)	**(Sravanthi Koduru)**
(Whole-time Director)	**(Non-Executive Director)**
_____	_____
(Ravindra Vikram Mamidipudi)	**(Krishna G.V. Giri)**
(Independent Director)	**(Independent Director)**
_____	_____
(Bhaskara Reddy Nallapureddy)	**(Bulusu Kameswara Sarma)**
(Independent Director)	**(Independent Director)**
_____	_____
(Areti Narasimha Rao)	**(Pusuluru Kodanda Rami Reddy)**
(Chief Financial Officer)	**(Company Secretary & Compliance Officer)**
Place: Hyderabad	Date: August 28, 2018