



TASTY DAIRY SPECIALITIES LIMITED

CIN: U15202UP1992PLC014593

Our Company was originally incorporated as Tasty Dairy Specialities Private Limited on July 30, 1992 with the Registrar of Companies, Kanpur as a Private Limited company under the provisions of the Companies Act, 1956. Subsequently our Company was converted into Public Limited Company and the name of our Company was changed to Tasty Dairy Specialities Limited. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Kanpur on November 25, 2004. For further details of our Company, please refer “General Information” and “History and Certain Other Corporate Matter” beginning on page no 39 and 104 respectively, of this Prospectus.

Registered Office: D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311, Uttar Pradesh

Administrative Office: G-6, 12/483, Ratandham McRobert Ganj, Kanpur-208 001, Uttar Pradesh

Contact Person: Ms. Nishi, Company Secretary and Compliance Officer

Tel. No.: + 91512 7107777, **Fax No.:** +91 512 2551643, **Website:** www.tastydairy.com, **E-Mail ID:** info@tastydairy.com

PROMOTERS: MR. ATUL MEHRA, MRS. SONIA MEHRA AND MR. PREM NANDAN MEHRA

| THE ISSUE | | | |
|---|--|--------------------------------|---------------------------------|
| <p>PUBLIC ISSUE OF 54,30,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FULLY PAID UP OF “TDSL” OR “THE COMPANY” OR “THE ISSUER” FOR CASH AT A PRICE OF ₹45 PER EQUITY SHARE (THE “ISSUE PRICE”) (INCLUDING SHARE PREMIUM OF ₹35 PER EQUITY SHARE) AGGREGATING ₹2443.50 LAKHS (THE “ISSUE”) BY OUR COMPANY OF WHICH 2,76,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FULLY PAID UP WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 51,54,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.58% AND 25.23% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY</p> | | | |
| <p>THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE ISSUE PRICE IS ₹45. THE ISSUE PRICE IS 4.5 TIMES THE FACE VALUE. THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME)</p> | | | |
| <p style="text-align: center;"><i>For further details please refer to “Issue Information” beginning on page no 200 of this Prospectus</i></p> | | | |
| RISK IN RELATION TO THE FIRST ISSUE | | | |
| <p>This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Issue Price is 4.5 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled “Basis for Issue Price” beginning on page no 65 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing</p> | | | |
| GENERAL RISKS | | | |
| <p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” on page no 14 of this Prospectus</p> | | | |
| COMPANY’S ABSOLUTE RESPONSIBILITY | | | |
| <p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p> | | | |
| LISTING | | | |
| <p>The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE”). Our Company has received an in-principle approval letter dated January 17, 2018 from BSE Limited for using its name in this Offer Document for listing of our Equity Shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited (“BSE”).</p> | | | |
| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE | | |
| <div style="display: flex; align-items: center;"> <div> <p>Mark Corporate Advisors Private Limited CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Contact Person: Mr. Manish Gaur Tel. No.: +91 22 2612 3207/08 E-Mail ID: smeipo@markcorporateadvisors.com SEBI Regn No.: INM000012128 Investor Grievance Email: investorgrievance@markcorporateadvisors.com</p> </div> </div> | <div style="display: flex; align-items: center;"> <div> <p>Bigshare Service Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059. Contact Person: Mr. Ashok S Shetty Tel No.: +91 22 2847 0652/4043 0200 E-Mail ID: ipo@bigshareonline.com SEBI Regn No.: INR000001385</p> </div> </div> | | |
| ISSUE PROGRAMME | | | |
| <p>Issue Opens On:</p> | <p>February 07, 2018</p> | <p>Issue Closes on:</p> | <p>February 12, 2018</p> |

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SECTION 1 - GENERAL INFORMATION

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. 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.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act 1956/2013, the SCRA, the Depositories Act and the rules and regulations made thereunder.

General Terms:

| Term(s) | Description |
|--|---|
| 'Our Company' or 'The Company' or 'The Issuer' | Tasty Dairy Specialties Limited, a company incorporated under the Companies Act, 1956 and having its Registered office at D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311, Uttar Pradesh |
| 'we', 'us' or 'our' | Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries |

Company related Terms:

| Term(s) | Description |
|--|---|
| Administrative Office | G-6, 12/483, Ratandham McRobert Ganj, Kanpur-208 001, Uttar Pradesh |
| Articles/Articles of Association/AOA | Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time. |
| Auditor/Statutory Auditor | The Auditor of the Company being Atul Garg & Associates, Chartered Accountants, having its Registered Office at 418, Plaza Kalpana, 24/147-A, Birhana Road, Kanpur-208 001 |
| Bankers to Our Company | Punjab National Bank, Yes Bank Limited, Kotak Mahindra Bank Limited, IndusInd Bank Limited, HDFC Bank Limited |
| Board/Board of Directors/Our Board | The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof |
| Director(s) | The Director(s) on the Board of Our Company as appointed from time to time, unless otherwise specified |
| Equity Shares | Equity Shares of our Company of face value of ₹10 each |
| Equity Shareholders | The holders of Equity Shares of our Company |
| Group Companies/Entities | Such companies/entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details, please refer " <i>Group Entities</i> " on page no 125 of this Prospectus |
| Key Managerial Personnel/ KMP | Key Managerial Personnel of our Company in terms of the SEBI (ICDR) Regulations, 2009 and Companies Act, 2013. For details, please refer " <i>Our Management</i> " on page no 108 of this Prospectus |
| Memorandum/Memorandum of Association/MOA | The Memorandum of Association of our Company, as amended from time to time |
| Non-Resident | A person resident outside India, as defined under FEMA Regulations |
| Non-Resident Indian/NRI | A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended |

| Term(s) | Description |
|---|--|
| 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. |
| Peer Review Auditor | The Independent Peer Reviewed Auditor of Our Company Mittal & Associates, Chartered Accountants, having its Registered Office at 501, Empress Nucleus, Gaothan Road, Opp. Little Flower School, Andheri(East), Mumbai-400069 |
| Promoters/Our Promoters | Promoters of Our Company namely, Mr. Atul Mehra, Mrs. Sonia Mehra and Mr. Prem Nandan Mehra For details, please refer “ <i>Our Promoters and Promoter Group</i> ” on page no 120 of this Prospectus |
| Promoter Group | Persons and entities constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations, 2009. For details, please refer “ <i>Our Promoters and Promoter Group</i> ” on page no 120 of this Prospectus |
| Registered Office | D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311, Uttar Pradesh |
| RoC | Registrar of Companies, Kanpur & Nainital (Uttar Pradesh & Uttarakhand) |
| Tasty Dairy Specialities Limited/TASTY DAIRY/TDSL/ the Company/our Company/we/us/our and the Issuer Company | Tasty Dairy Specialities Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956 |

Issue related Terms:

| Term(s) | Description |
|---|--|
| Allocation/Allocation of Equity Shares | The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants |
| Allotment/Allot/Allotted | Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants |
| Allottee(s) | Successful Applicants to whom Equity Shares of our Company shall have been allotted |
| Applicant | Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue |
| Application Supported by Blocked Amount/ASBA | The application (whether physical or electronic) by an Applicant to make an Application authorizing the relevant SCSB to block the Application Amount in the relevant ASBA Account Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the appropriate Application Amount in relation to an Application by an Applicant |
| ASBA Application Location(s)/Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs viz, Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat |

| Term(s) | Description |
|---|--|
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Investor/ASBA Applicant | Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process in terms of this Prospectus |
| Banker(s) to the Issue/Escrow Collection Bank | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being IDFC Bank Limited |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page no 208 of this Prospectus |
| Bid | An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Application Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations |
| Bid Amount | Highest value of optional Bids indicated in the Application Form and payable by the Bidder upon submission of the Bid |
| Bid Lot | 3000 Equity Shares |
| Broker Centre’s | Broker Centre’s notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre’s, along with the name and contact details of the Registered Brokers, are available on the website of the BSE on the following link www.bseindia.com |
| Broker to the Issue | All recognized members of the stock exchange would be eligible to act as the Broker to the Issue |
| CAN/Allotment advice | The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client identification number of the Applicant’s beneficiary account |
| Collecting Depository Participant/ CDP | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Controlling Branches of the SCSBs | Such branches of the SCSBs which co-ordinate applications under this Issue by the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details |
| Depository | A Depository registered with SEBI under SEBI (Depositories and Participant)Regulations, 1996 |
| Depository Participant/DP | A Depository Participant as defined under the Depositories Act. |
| Designated CDP Locations | Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.bseindia.com |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants |

| Term(s) | Description |
|--|---|
| Designated Intermediaries/Collecting Agent | An SCSB with whom the bank account to be blocked, is maintained, a syndicate member(or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and Share Transfer Agent (RTA) (whose names is mentioned on website of the Stock Exchange as eligible for this activity) |
| Designated Market Maker/Market Maker | In our case, NNM Securities Private Limited having its Registered office at 1111, P J Towers, 11 th Floor, Dalal Street, Fort, Mumbai-400 001 and Corporate office at NNM House, B-6 & 7, Plot No. 31, Shri Siddhi Vinayak Plaza, 2 nd Floor, C T No. 62, Village Oshiwara, Off Link Road, Andheri (West), Mumbai-400 058 |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange, i.e. www.bseindia.com |
| Designated Stock Exchange | SME Platform of BSE Limited |
| Draft Prospectus | The Draft Prospectus dated January 04, 2018 issued in accordance with Section 26 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulations, 2009 |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein |
| Eligible QFIs | Qualified Foreign Investors 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 Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014 |
| Public Issue Account(s) | Account(s) opened with the Public Issue Bank/Banker for the Issue |
| Public Issue Account/ Agreement | Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank to the Issue for collection of the Application Amounts |
| First/Sole Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| General Information Document/GID | The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and included in “ <i>Issue Procedure</i> ” on page 208 of this Prospectus |
| Issue/Issue Size/ Initial Public Offer/Initial Offering/Initial Public Offering/ IPO | Public Issue of 54,30,000 Equity Shares of face value of ₹10 each fully paid of Tasty Dairy Specialities Limited for cash at a price of ₹45 per Equity Share (including a premium of ₹35 per Equity Share) aggregating ₹2443.50 Lakhs. |
| Memorandum of Understanding/MoU | The agreement dated December 26, 2017 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue |
| Issue Opening Date | The date on which Issue opens for subscription |
| Issue Closing Date | The date on which Issue closes for subscription |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹45 per Equity Share of face value of ₹10 each fully paid up |
| Issue Proceeds | Proceeds from the fresh Issue that will be available to our Company, being ₹2443.50 Lakhs |
| Listing Agreement | The Equity Listing Agreement to be signed between our Company and SME |

| Term(s) | Description |
|--|--|
| | platform of BSE |
| Lead Manager | Manager to the Issue, in this case being Mark Corporate Advisors Private Limited, a SEBI Registered Merchant Banker |
| Market Making Agreement | Market Making Agreement dated December 28, 2017 between Our Company, LM and Market Maker |
| Market Maker | Market Maker appointed by our Company, in this case being NNM Securities Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time |
| Market Maker Reservation Portion | The Reserved Portion of 2,76,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹45 per Equity Share aggregating ₹124.20 Lakhs for the Market Maker in this Issue |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| Net Issue | The Issue excluding the Market Maker Reservation Portion of 51,54,000 Equity Shares of face value of ₹10 each fully paid for cash at a price of ₹45 Equity Share aggregating ₹2319.30 Lakhs by our Company |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page no 59 of this Prospectus |
| Non-Institutional Investors | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than ₹2,00,000 |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable |
| Person/Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Prospectus | The Prospectus to be filed with RoC containing, inter-alia, the issue opening and closing dates and other information |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. IDFC Bank Limited by our Company to receive monies from SCSBs from the bank accounts of the ASBA Applicants on the Designated Date |
| Qualified Institutional Buyers or QIBs | QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 Lakhs, pension fund with minimum corpus of ₹2,500 Lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India |

| Term(s) | Description |
|--|---|
| Refund Account (s) | Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur |
| Registered Brokers | Stock Brokers registered with the Stock Exchanges having nationwide terminals |
| Registrar/Registrar to the Issue | Bigshare Services Private Limited having Registered Office at 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai-400 059 |
| Retail Individual Investor | Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to ₹2,00,000 |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s) |
| Self-Certified Syndicate Banker/ SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| SME Platform of BSE/SME Exchange/BSE SME | The SME Platform of BSE for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations |
| Underwriters | Mark Corporate Advisors Private Limited and NNM Securities Private Limited |
| Underwriting Agreement | The agreement dated December 28, 2017 entered into between the Underwriters and our Company |
| Working Day | “Working Day” means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Equity Shares on the SME Exchange of BSE Limited, “Working Day” shall mean all trading days of BSE Limited, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

Technical and Industry Related Terms:

| Term(s) | Description |
|----------------|---|
| AGMARK | Agricultural Grading & Marking |
| B2B | Business to Business |
| B2C | Business to Consumer |
| BIS | Bureau of Indian Standards |
| BMU | Butter Melting Unit |
| CBM | Continuous Butter Making Machine |
| CII | Confederation of Indian Industry |
| CIP | Cleaning in Place |
| CPF | Captive Power Facility |
| DADF | Department of Animal Husbandry Dairying and Fisheries |
| DSI | Direct Steam Injection |
| DW | Dairy Whitener |
| EFC | Express Feeders Connection |
| EIA | End Implementing Agencies |
| ERP | Enterprise Resource Planning |
| EU | European Union |
| FAO | Food and Agricultural Organization |
| FMCG | Fast-Moving Consumer Goods |
| FSSAI | Food Safety and Standards Authority of India |
| GCMMF | Gujarat Co-operative Milk Marketing Federation |

| Term(s) | Description |
|----------------|--|
| GMP | Good Manufacturing Practices |
| Gms | Grammes |
| HVAC | Heating, Ventilation and Air Conditioning |
| ISI | Indian Standards Institute |
| ISO | International Organization for Standardization |
| MNC's | Multi-National Companies |
| MSP | Minimum Support Prices |
| NCR | National Capital Region |
| NDDB | National Dairy Development Board |
| NDP | National Dairy Plan |
| QSR | Quick Service Restaurants |
| SAP | Systems, Applications and Products |
| SCADA | Supervisory Control and Data Acquisition |
| SCM | Sweetened Condensed Milk |
| SNF | Solid Not Fat |
| SSI | Small Scale Industries |
| UHT | Ultra-High Temperature |
| WCRC | World Consulting & Research Corporation |
| VFBD | Vibro Fluidized Bed Dryer |
| VFD | Variable Frequency Drives |
| VLC | Village Level Collection |
| WMP | Whole Milk Powder |

Conventional and General Terms or Abbreviations:

| Term(s) | Description |
|------------------|--|
| A/c | Account |
| Act | The Companies Act, 2013 |
| AGM | Annual General Meeting |
| Articles | Articles of Association of the Company framed in pursuance of this Act |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| AY | Assessment Year |
| ASBA | Applications Supported by Blocked Amount |
| BIFR | Board for Industrial and Financial Reconstruction |
| CAGR | Compounded Annual Growth Rate |
| CCI | Competition Commission of India |
| CDSL | Central Depository Services (India) Limited |
| CESTAT | Customs, Excise and Service Tax Appellate Tribunal |
| CENVAT | Central Value Added Tax |
| CIN | Corporate Identification Number |
| Companies Act | Companies Act, 2013 |
| CSO | Central Statistical Organization |
| Depositories | NSDL and CDSL, Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time. |
| Depositories Act | The Depositories Act, 1996, as amended from time to time. |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DP ID | Depository Participant's Identity |
| DB | Designated Branch |
| EBIDTA | Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items |
| ECS | Electronic Clearing Services |
| EGM | Extraordinary General Meeting |

| Term(s) | Description |
|--|---|
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Option Plan |
| EPS | Earnings per Share |
| FDI | Foreign Direct Investment |
| FCNR Account | Foreign Currency Non-Resident Account |
| FEMA | Foreign Exchange Management Act, as amended from time to time and the regulations framed there under |
| FEMA Regulations | FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto. |
| FII(s) | Foreign Institutional Investors |
| FIs | Financial Institutions |
| FV | Face Value |
| FVCI | Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 |
| FY | Financial Year |
| GAAP | Generally Accepted Accounting Principles |
| GDP | Gross Domestic Product |
| GOI | Government of India. |
| HNI | High Net Worth Individual |
| HUF | Hindu Undivided Family |
| ICDR Regulations/ SEBI Regulations/ SEBI (ICDR)Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time |
| Indian GAAP | Generally accepted accounting principles in India |
| ICAI | Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International financial reporting standards |
| Ind AS | Indian Accounting Standards |
| IPC | Indian Penal Code |
| IPO | Initial Public Offering |
| IPR | Intellectual Property Right |
| IT | Information Technology |
| IT Act | The Income-tax Act, 1961 as amended from time to time except as stated otherwise |
| IT Rules | The Income-tax Rules, 1962, as amended from time to time |
| INR | Indian National Rupee |
| JV | Joint venture |
| KMP | The officers declared as a Key Managerial/Management Personnel and as mentioned in the chapter titled "Our Management" beginning on page 108 of this Prospectus |
| Ltd. | Limited |
| MBA | Master in Business Administration |
| M.Com | Master Degree in Commerce |
| MD | Managing Director |
| MoU | Memorandum of Understanding |
| MNC | Multinational Corporation |
| N/A or NA | Not Applicable |
| NAV | Net Asset Value |
| NECS | National Electronic Clearing Services |
| NEFT | National Electronic Fund Transfer |
| Net Worth | The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account |

| Term(s) | Description |
|--|---|
| NOC | No Objection Certificate |
| NPV | Net Present Value |
| NR | Non-Resident |
| NRE Account | Non-Resident External Account |
| NRI | Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| p.a. | per annum |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| Pvt. | Private |
| PBT | Profit Before Tax |
| P/E Ratio | Price Earnings Ratio |
| POA | Power of Attorney |
| PIO | Persons of Indian Origin |
| QIB | Qualified Institutional Buyer |
| RBI | Reserve Bank of India |
| RBI Act | The Reserve Bank of India Act, 1934, as amended from time to time |
| Ron | Return on Net Worth. |
| Rs./INR/₹ | Indian Rupees |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SCSB | Self-Certified Syndicate Bank |
| SEBI | Securities and Exchange Board of India. |
| SEBI Act | Securities and Exchange Board of India Act, 1992, as amended from time to time. |
| SEBI Depository Regulations | Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| SEBI LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| SEBI Insider Trading Regulations | The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time |
| SEBI Takeover Regulations/Takeover Regulations/Takeover Code | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time, including instructions and clarifications issued by SEBI from time to time |
| Sec | Section |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time |
| SSI Undertaking | Small Scale Industrial Undertaking |
| Stock Exchange(s) | BSE SME |
| Sq. | Square |
| Sq. Mtr. | Square Meter |
| TAN | Tax Deduction Account Number |
| TRS | Transaction Registration Slip |
| TIN | Taxpayers Identification Number |
| TNW | Total Net Worth |

| Term(s) | Description |
|--------------------------------|---|
| u/s | Under Section |
| UIN | Unique Identification Number |
| US/ U.S. / USA | United States of America |
| USD or US\$ | United States Dollar |
| U.S. GAAP | Generally accepted accounting principles in the United States of America |
| UOI | Union of India |
| Venture Capital Fund(s)/VCF(s) | Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time |
| WDV | Written Down Value |
| w.e.f. | With effect from |
| YoY | Year over Year |

Notwithstanding the foregoing:

- 1) In *'Main Provisions of the Articles of Association'* beginning on page no 247 of this Prospectus, defined terms shall have the meaning given to such terms in that section.
- 2) In *'Summary of Our Business'* and *'Our Business'* on page no's 33 and 78 respectively, of this Prospectus, defined terms shall have the meaning given to such terms in that section.
- 3) In *'Risk Factors'* on page no 14 of this Prospectus, defined terms shall have the meaning given to such terms in that section.
- 4) In *'Statement of Possible Special Tax Benefits'* on page no 67 of this Prospectus, defined terms shall have the meaning given to such terms in that section.
- 5) In *'Management's Discussion and Analysis of Financial Conditions and Results of Operations'* on page no 162 of this Prospectus, defined terms shall have the meaning given to such terms in that section.

USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Tasty Dairy Specialities Limited” and “TDSL”, unless the context otherwise indicates or implies, refers to Tasty Dairy Specialities Limited.

Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our restated financial statements for the financial years ended March 31, 2013, 2014, 2015, 2016 and 2017 and half year ended September 30, 2017 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations and the Indian GAAP which are included in this Prospectus, and set out in ‘*Financial Statements*’ on page no. 132 of this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded off to such number of decimal points as provided in such respective sources.

Currency and units of Presentation

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from internal Company reports and industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified.

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

FORWARD LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical facts constitute 'forward-looking statements'. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in this Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- General economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- Our ability to respond to technological changes;
- Our ability to attract and retain qualified personnel;
- The effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- General social and political conditions in India which have an impact on our business activities or investments;
- Potential mergers, acquisitions restructurings and increased competition;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Changes in the competition landscape;
- Our ability to finance our business growth and obtain financing on favourable terms;
- Our ability to manage our growth effectively;
- Our ability to compete effectively, particularly in new markets and businesses;
- 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;
- Developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer '*Risk Factors*', '*Our Business*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' on page no's 14, 78 and 162 respectively of this Prospectus.

Forward looking statements reflects views as of the date of this Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company/our Directors nor the Lead Managers, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Managers 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 our Equity Shares involves a high degree of financial risk and you should carefully consider all information disclosed in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. If any, or some combination, of the following risks actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of our Equity Shares could decline and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of our Company and the Offer, including the merits and risks involved. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. Unless specified or quantified in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. Investors should not invest in this Offer unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with Standalone and restated financial statements of our Company for the Fiscals 2013, 2014, 2015, 2016 and 2017 in each case prepared in accordance with Indian GAAP, including the schedules, annexure and notes thereto.

To obtain a better understanding of our business, you should read this section in conjunction with other chapters of the Prospectus, including the chapters titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and section titled "Financial Information of the Company" beginning on pages 78, 162 and 132 respectively of this Prospectus, together with all other financial information contained in the Prospectus.

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

- 1.) *Some risks may not be material individually but may be material when considered collectively.*
- 2.) *Some risks may have material impact qualitatively instead of quantitatively.*
- 3.) *Some risks may not be material at present but may have a material impact in the future.*

INTERNAL RISK FACTORS

- 1) ***There are certain outstanding legal proceedings involving our Company, our Directors our Promoters and Promoter Group Company. Any failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, result of ongoing operations and reputation.***

| There are certain outstanding legal proceedings involving our Company, Directors our Promoters and Promoter Group. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. A classification of these legal and other proceedings are given in the following table: | No. of Cases |
|--|---------------------|
| Company | |
| Direct Tax Liabilities | 6 |
| Indirect Tax Liabilities | 1 |
| Criminal Proceedings | 1 |
| Material Litigation by Company | 1 |

| There are certain outstanding legal proceedings involving our Company, Directors our Promoters and Promoter Group. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. A classification of these legal and other proceedings are given in the following table: | No. of Cases |
|--|---------------------|
| Promoters | |
| Litigation involving criminal laws | 1 |
| Direct Tax Liabilities | 1 |
| Group Entities | |
| Direct Tax Liabilities | 3 |
| Criminal proceeding filed by Group | 1 |

We may incur significant expenses and management time in such legal proceedings. Any adverse ruling in any of the above proceedings or consequent levy of penalties by other statutory authorities may render our Company / Promoters / Promoter Group/Directors liable to penalties and may have a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For further details, see chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 175 of this Prospectus.

2) *Our registered office and manufacturing unit is on leasehold land.*

Our registered office and the manufacturing unit at D-3, UPSIDC Industrial Area Jainpur, Kanpur Dehat, Uttar Pradesh from where we operate is not owned by our Company. Our Company has been occupying the registered office and the manufacturing unit on leasehold basis through a deed of lease entered into by our Company with the U.P State Industrial Development Corporation Limited acting through the Regional Manager for a period of 90 years commencing from June 1, 2009 and ending on May 31, 2099. Further, the lease is subject to certain terms and conditions and any non-compliance of the same may lead to the termination of the lease which may have a material adverse effect on our operations and there can be no assurance that the lease will be renewed. In the event the lease is not renewed, we may be required to shift our registered office and manufacturing unit to a new location and there can be no assurance that the arrangement our Company will enter into in respect of the new premises would be on such terms and conditions as the present one.

3) *We have not entered into any agreements with suppliers of milk and an increase in the cost of or a shortfall in the availability of milk could have an adverse effect on our business, results of operations and financial condition.*

All our production processes begin with the procurement of milk and our business operations are dependent on our ability to procure sufficient amounts of quality raw milk at commercially viable prices. We procure the raw milk directly from milk farmers and milk vendors from Kanpur and adjacent areas, which is a significant milk producing region in Uttar Pradesh. Although, we believe we have developed a strong relationship with these dairy farmers and milk vendors over the years, we have not entered into any specific agreement / MoU. We only have oral arrangements with our suppliers and we typically transact on an invoice basis for each order. The availability and price of raw milk is also subject to a number of factors beyond our control including seasonal factors, environmental factors, and general health of cattle and Government policies. For instance, the volume and quality of milk produced by cattle is dependent upon the quality of nourishment provided by the cattle feed and could be adversely affected during extreme weather. Also, any disease or epidemic affecting the health of cattle in India, especially within Kanpur and adjacent area, could significantly affect our ability to procure adequate amounts of raw milk. There can be no assurance that we will be able to procure all of our future raw milk requirements at commercially viable prices, or that we will be able to pass on any increases in the procurement price of raw milk to our customers. Furthermore, in the event that such milk farmers or milk vendors discontinue their supply to us or if we are unable to source quality raw milk from other suppliers at competitive prices, we may not be able to meet our production and sales targets. Interruption of, or a shortage in the supply of, raw milk may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in production and sales. An inability to procure sufficient quality raw milk at reasonable cost, or an inability to pass on any increases in the price of raw milk to our customers could adversely affect our

business, results of operations and financial condition.

Recently, we have also entered into a memorandum of understanding with PUM, an organization of Netherland. We believe that through the said Memorandum of Understanding, we will be able to educate farmers about best practices of breeding, feeding, animal management and improving productivity and will establish a much stronger relationships with farmers in the vicinity of our facilities, distributors and institutional customers. Such forerunner step will ultimately result in availability of superior quality milk with us and mitigate the abovementioned risk.

- 4) ***Any actual or alleged contamination or deterioration of our products or any negative publicity or media reports related to our products or our raw materials could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.***

Since milk is a perishable product, we are subject to risks affecting the dairy industry, including risks posed by the contamination/ spoilage of milk, consumer product liability claims, product tampering, product labelling errors, and other adulteration of our products. Any actual or alleged contamination or deterioration of our products, whether deliberate or accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our financial performance. The risk of contamination or deterioration exists at each stage of the production cycle, including during the production, storage and delivery of raw materials, packaging, storage and delivery to our customers and the storage and shelving of our products by our distributors, institutional customers and retailers until final consumption. While we follow stringent quality control processes and quality standards at each stage of the production cycle, there can be no assurance that our products will not be contaminated or suffer deterioration. Further, there can be no assurance that contamination of our raw materials or products will not occur during the transportation, production, distribution and sales processes due to reasons unknown to us or beyond our control. If our products or raw materials are found to be spoilt, contaminated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any damage resulting from consumption of such products. We generate majority of our sales from institutional customers and if the end products manufactured by those customers are found to be contaminated on account of our product, our customers may return our goods, terminate their relationships with us and initiate legal proceedings against us. Any such event may have a material adverse effect on our reputation, business, financial condition, cash flows, results of operations and prospects could be materially and adversely affected.

- 5) ***Our Company is dependent on third party transportation for the delivery of raw materials/ finished product and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

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

- 6) ***We are dependent on our Directors, senior management and key personnel of our Company for success whose loss could impair the ability to continue to manage and expand business efficiently.***

Our Directors, senior management and key managerial personnel collectively have many years of experience in the industry and are difficult to replace. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. For further details of our Directors and key

managerial personnel, see chapter titled "Our Management" beginning on page 108 of this Prospectus. Our success largely depends on the continued services and performance of our management and other key personnel. The loss of service of the Directors and other senior management could impair the ability to continue to manage and expand the business efficiently.

7) *Our revenues depend on the success of our institutional customers and the dairy industry.*

We derive majority of our revenues from the sale of institutional products to institutional customers, belonging to the dairy industry, such as Delhi Milk Scheme, Gujarat Cooperative Milk Marketing Federation (Amul), Parle Group, Sterling Agro Industries Limited, Kwality Dairy Limited etc. In Fiscal 2015, 2016 and 2017 and in the six months ended September 30, 2017, sales of institutional products represented 96.12%, 97.00%, 75.97% and 75.35%, respectively, of our revenues from operations in such periods. In the future, any significant decrease in product spending or outsourcing by customers to which we cater and from which we derive significant revenues, may reduce the demand for our products. Any significant decrease in the growth of the dairy industry or significant consolidation in the same, or any decrease in growth or consolidation in industry segments in which we operate, may reduce the demand for our products leading to adverse effect on our financial results.

8) *Conflicts of interest may arise as our Promoters have promoted some of our promoter group Companies, which are in the similar line of business.*

Our Promoters have interest in our Promoter Group Companies such as, CIMA Dairy and Foods Limited, CIMA Foods Private Limited, Verifresh Dairies Limited, Bhiwadi Milk Products Private Limited. We believe that the promoter group entities of our Company supplements our Company and add to our strength and enable the whole group to offer a wider spectrum of products giving both a competitive edge. However, conflicts may arise in the ordinary course of decision-making by the Promoters or Board of Directors. Conflicts of interests may arise in the Promoters' allocating or addressing business opportunities and strategies among our Company and Promoter Group Companies in circumstances where our respective interests diverge. Further, our Promoter Group Companies have objects similar to that of our Company, however we do not have any non-compete agreement/ arrangement with any of our Promoter Group Companies which could give rise to conflict of interest. In cases of conflict, there can be no assurance that our Promoters will not favour their own interests over those of our Company. Any such present and future conflicts could have an effect on our business, reputation, financial condition and results of operations. For further details, see chapters titled "Our Promoter and Promoter Group" and "Our Group Companies" beginning on pages 120 and 125 respectively of this Prospectus.

9) *We may not be able to sustain effective implementation of our business and growth strategy.*

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

10) *In past we may not have complied with certain provisions of the Companies Act and we may be subject to regulatory action for such non-compliances.*

The Companies Act 1956 and The Companies Act, 2013 have prescribed certain timelines in connection with filing of documents with the Registrar of Companies. There have been certain instances wherein there has been a delay in filing of forms/compliances with Registrar of Companies. Our Company has made payment of additional charges in the instances of delay as prescribed under the Companies Act. Further, in certain communications made with by third parties to the Company, our Promoter, Mr. Atul Mehra has been referred to as the Managing Director and/or Chairman of our Company. At some instances, our Company has also referred to him as the Managing Director and/or Chairman. However, as on the date of this Prospectus, Mr. Atul Mehra is the Chairman & Whole Time Director.

11) *One of our promoter group entity has defaulted under the financial arrangement entered by it for availing*

financial facility

Bhiwadi Milk Products Private Limited ("**Bhiwadi**"), one of our promoter group entity, in which Mr. Atul Mehra is one of the promoter by virtue of his holding in the share capital of Bhiwadi, had obtained certain borrowing from ICICI bank, Jaipur for its business purpose. In addition to mortgage created over its movable and immovable property by Bhiwadi, Mr. Atul Mehra also provided guarantee and pledge his entire holding in Bhiwadi for securing said borrowing. However, Bhiwadi defaulted in the repayment of such borrowing and consequently ICICI bank invoked pledge created by Mr. Atul Mehra on his shareholding in Bhiwadi. The management of Bhiwadi is in the process of negotiating with ICICI bank for the settling the said loan amount. However, if an agreeable settlement is not arrived in between ICICI bank and Bhiwadi, then ICICI bank may invoke legal action against Bhiwadi and/or Mr. Atul Mehra for the repayment. Any such legal proceedings could divert management time and attention and consume financial resources. Further, any adverse outcome in any such proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

12) *We may not have adequate insurance coverage for protecting us against any material hazards.*

Although we believe that the amount of insurance currently maintained by us is in accordance with industry standards in India. The insurance obtained by us may not provide adequate coverage in certain circumstances and any damage suffered by us in respect of any events that is not covered under any insurance, may have an adverse effect on our business and results.

13) *We require number of approvals, licenses, registrations and permits for our business and are required to comply with certain rules, regulations and conditions to operate our business and failure to obtain, retain or renew such approvals and licences in a timely manner or to comply with the requisite rules, regulations and conditions may adversely affect our operations.*

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. While we believe that we will be able to obtain the required permits and approvals as and when required there can be no assurance that the relevant authorities will issue any or all requisite permits or approvals in the time frame anticipated by us, or at all. Non-renewal of the permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business and financial condition. For further details, see the chapters titled "Key Regulations and Policies" and "Government and Other Key Approvals" on pages no. 95 and 182, respectively, of this Prospectus.

14) *Our Promoter and Directors may have interest in our Company, other than remuneration or reimbursement of expenses incurred.*

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship and shareholding in our Company. Our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, see the chapters titled "Our Business" and "Our Promoters and Promoter Group", beginning on page nos. 78 and 120 respectively and "Related Party Transactions" on page no. 158 under the chapter titled "Financial Statements" beginning on page no. 132 of the Prospectus.

15) *We are dependent on one of the Promoter, Mr. Atul Mehra for his expertise and market goodwill. Our*

separation, if any, from the Promoter may adversely affect our business.

We are dependent on our Individual Promoter, Mr. Atul Mehra for his expertise and market goodwill and our separation from our Promoter may adversely affect our business. Being a SME company; we have been promoter driven till date. However, we intend to grow and retain services of high quality senior management and become professionally managed. Our separation, if any, with the Promoter, prior to being able to grow and find adequate replacement; for any reasons whatsoever shall adversely affect our business and results of operations.

16) *Our business depends on protection of our intellectual property in our product range. Our ability to compete effectively will be impaired if we are unable to protect our intellectual property rights.*

We believe that our intellectual property is an important asset of our Company. Our intellectual property includes trademarks associated with our business. We use various trademarks and word marks associated with our business including our logo appearing on the cover page of this Prospectus. Our Company does not hold registrations of trademarks in its name, which it uses for its business. Moreover, our Company uses 2 (two) Trademarks i.e. UJJWAL and SIKHAR registered in the name of Mr. Atul Mehra, promoter of the Company and uses the trademark CIMA registered in the name of CIMA Foods Private Limited, through Royalty Agreements. For details of the Royalty Agreements, please see the chapter titled “Our Business” on page 78. However, at times, we may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected.

Also, we have made application for registration of our Company’s logo which is currently pending. There can be no assurance that we will be able to register the logo or, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill.

Moreover, we also sell our product under the tradename “VERIFRESH”, the registration of which was objected for bearing direct reference to the character, quality of the products. In addition, we also use the tradename “MITHAI MASTER” which is presently objected by third parties. Although we have submitted our reply for the same, we may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed.

As such, with respect to our Company’s logo, VERIFRESH and MITHAI MASTER do not enjoy the statutory protections accorded to a registered trademark as on date. Use of such wordmarks by any other person may cause damage to our business prospects, reputation and goodwill.

17) *Stringent food safety, consumer goods, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.*

Our operations are subject to stringent health and safety laws as our products are for human consumption and are therefore subject to various industry specific regulations. We may also be subject to additional regulatory requirements due to changes in governmental policies. Further, we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty. For details see, “Government and Other Approvals” beginning on page 182 of this Prospectus.

18) *Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our*

Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post this Offer, our Promoter and Promoter Group will collectively own 73.42% of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

19) *We have included names of few of our institutional customers in this prospectus without obtaining consents from the respective Customers.*

We have a long standing relation with our customers and have served them over the period of time and has developed trust. We believe that inclusion of our customers name in this Prospectus does not harm the reputation and image of our customers and moreover we are not bound by any non-disclosure agreements. We are in process of informing our customers orally of our intention to include their name in the prospectus. While our Company intends to obtain all the necessary consents from the customers in relation to inclusion of their name prior to the filing of the Prospectus with the RoC. However, inclusion of their name in this Prospectus without obtaining their consents may arise a conflict with the existing customer which may ultimately adversely affect our business.

20) *We have in the past entered into related party transactions and shall continue to do so in the future.*

Our Company has entered into various related party transactions with our Promoters, members of the Promoter Group, Directors, and Group Companies. While we believe that all such transactions are conducted on an arms-length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations. For details of transactions entered by us, see chapter titled "Related Party Transactions" beginning on page 158 of this Prospectus.

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

Our Promoters, Mr. Atul Mehra and Mrs. Sonia Mehra have provided personal guarantees to secure existing borrowings which are still continuing and are in force as on the date of filing this Prospectus. We may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Directors may be invoked which could negatively impact the Company and the said Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, see chapter titled "Statement of Financial Indebtedness" beginning on page 167 of this Prospectus.

22) *Our future expansion plans are subject to the risk of cost and time overrun, which may have a material adverse effect on our business, results of operations and financial condition.*

Our future expansion plans may be subject to delays and other risks, including, among other things, performance shortfalls, unforeseen problems, disputes with workers, force majeure events, unanticipated cost

increases or changes in scope and delays in obtaining certain property rights and government approvals and consents, any of which could result in delays, cost overruns and/or a breach of the financial covenants imposed by our lenders. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays can be mitigated and that we will be able to prevent any cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions.

23) *If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be materially and adversely affected.*

We take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting in order to produce reliable financial reports and prevent financial fraud. However, internal controls over financial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgment and breakdowns resulting from human error. To the extent that there are lapses in judgment or breakdowns resulting from human error, the accuracy of our financial reporting could be affected which may adversely affect our business and financial position of our company.

24) *The shortage or non-availability of power and water supply may adversely affect the production process and storage of our product and our performance.*

Our business processes requires power and water, mainly uninterrupted. Even though we have an operating history of more than a decade; and have been able to manage uninterrupted supply of power and water by installing our own diesel generators and tube wells and reverse osmosis system within our production facilities in addition to the routine sources of power and water. Any changes in government policies or local power and water shortages could adversely affect our production facility and ultimately our operations or financial condition may be adversely affected.

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

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

26) *Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.*

Our business activities require skilled and unskilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. We are unable to assure you that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may lead to strikes, lock- outs or increased wage demands. Such issues could have adverse effect on our business, and results of operations.

27) *There is no monitoring agency appointed by our Company to monitor the utilization of the Offer proceeds.*

As per SEBI (ICDR) Regulations as amended, appointment of monitoring agency is required only for Offer size above ₹10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Offer proceeds. However, the Audit Committee of our Board will monitor the utilization of Offer proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Offer proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

28) We require substantial financing for our business operations and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.

We operate in an industry, which requires substantial levels of funding. We will continue to incur significant expenditure in maintaining and growing our existing infrastructure. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our services, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and your interest in the Company, and could adversely impact our Equity Share price.

Our ability to obtain additional financing on favorable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

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

Our Company have currently availed unsecured loans which may be called by their lenders at any time. As on this date of the Prospectus, the unsecured loan amounting ₹108.17 Lakhs were due. In the event that 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 and may adversely affect the business of the Company. For further details on financing arrangements entered into by our Company, see chapter titled "Statement of Financial Indebtedness" beginning on page 167 of Prospectus.

30) Our lenders have a charge over our movable and immoveable properties in respect of finance availed by us.

Our total debt obligations payable on account of term loan, vehicle loan and cash credit facilities availed by our Company from Banks as on September 30, 2017 is ₹495.45 Lakhs. The said loans/cash credit facilities has been secured, inter-alia, by creating a charge over our moveable and immoveable properties. The total amount outstanding and payable by us towards secured loans were ₹391.54 lakhs as on date of this Prospectus. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details, see chapter titled "Financial Indebtedness" beginning on page 167 of this Prospectus.

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

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

(₹ in Lakhs)

| Particulars | As on September 30, 2017 | As on March 31, 2017 | As on March 31, 2016 | As on March 31, 2015 | As on March 31, 2014 | As on March 31, 2013 |
|---|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cash Flow from/ (used in) Operating Activities | 250.25 | 848.71 | 305.78 | (731.54) | 164.92 | 684.01 |

| Particulars | As on September 30, 2017 | As on March 31, 2017 | As on March 31, 2016 | As on March 31, 2015 | As on March 31, 2014 | As on March 31, 2013 |
|---|--------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Cash Flow from/ (used in) Investing Activities | 204.90 | (512.52) | (417.37) | (181.32) | (105.65) | (254.47) |
| Cash Flow from/ (used in) Financing Activities | (395.12) | (328.17) | 113.07 | 634.61 | (530.31) | (167.15) |

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

32) *Our Company has contingent liabilities which if materializes may adversely affect the financial position of the Company.*

As on June 30, 2017 our Company has certain contingent liabilities towards income tax demands for Assessment 2011- 12, 2012-13, 2013-14, 2016-17 year. The said contingent liabilities if materialises may adversely affect the financial position of our Company.

33) *Our Company's Independent Auditor's Report on Restated Financial Statements has certain qualifications in the auditor's report.*

Our Company's independent auditor's report onrestated summary statement of assets and liabilities as on September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 restated summary statement of profit and loss and restated summary statement of cash flows for the six months period ended on September 30,2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to "**Restated Financial Statements**") has certain qualifications on the closing balance in fixed deposits and outstanding liabilities. For further details, please refer to the chapter titled Financial Information's beginning on page no 132 of this Prospectus.

34) *We do not have long term contracts with our customers and majority of our business on standalone basis comes from purchase orders and failure to procure such orders on a continuous basis could adversely impact our revenues and profitability.*

Substantial portion of our business is operated on the basis of purchase orders instead of long term contracts. We believe that we have satisfactory business relations with our customers and have received continued business from them in the past but there is no certainty that the same will continue in the future, which could materially affect our business, results of operations and financial condition.

35) *Our existing manufacturing facility is geographically located in Kanpur Dehat, Uttar Pradesh and therefore any localized social unrest, natural disaster or breakdown of services or any other natural disaster could have material adverse effect on our business and financial condition.*

Our existing manufacturing facilities are based in Kanpur Dehat, Uttar Pradesh. As a result, any localized social unrest, natural disaster or breakdown of services and utilities in and around Kanpur, Uttar Pradesh could have material adverse effect on our business, financial position and results of operations.

36) *Obsolescence, destruction, theft, breakdowns of our machineries or failures to repair or maintain the same may affect our business, cash flows, financial condition and results of operations.*

Obsolescence, destruction, theft or breakdowns of our major machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original

machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an effect our business, cash flows, financial condition and results of operations.

- 37) *In addition to the employees on our rolls, we also engage contract labour which requires us to comply with the applicable regulations, the non-compliance of which, may subject us to penalties which may have adverse financial implications.***

We appoint contractors who in turn engage on-site contract labour for performance of our low skill operations. Any contravention under the Contract Labour (Regulation and Abolition Act), 1970 is punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both and in the case of a continuing contravention with an additional fine which may extend to one hundred rupees for every day during which such contravention continues after conviction for the first such contravention. We have applied to the Government of Uttar Pradesh for certificate of registration under the Contract Labour (Regulation and Abolition) Act 1970 and the same is pending for approval. If we fail to obtain or renew the contract labour registration in a timely manner, we may be exposed to penalties which may adversely affect our business. For further information pertaining to the application made under the Contract Labour (Regulation and Abolition) Act 1970, please refer to our chapter titled "*Government and Other Approvals*" beginning on page 182 of this Prospectus.

- 38) *The dairy products business in India is evolving rapidly and is highly competitive and an inability to compete effectively with established and new competitors may adversely affect our growth prospects, results of operations and financial condition.***

Demand and supply dynamics are always active in perishable items. The dairy products industry in India is highly competitive, especially the markets for pasteurized milk, skimmed milk etc. These products are experiencing rapid development and increasing competition. We currently compete, and in the future will continue to compete, with large players, as well as regional and local companies in each of the regions in which we operate. Further, the Indian dairy market has historically been dominated by the unorganised sector, which comprises traditional milkmen and vendors. We also compete with large dairy cooperatives that also procure milk from farmers in the regions where we procure milk, and any incentives offered by the Central or State Government to such cooperatives, could benefit such entities, which may in turn adversely affect our business. Further, we cannot assure you that we will be able to retain our existing institutional customers or we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition.

- 39) *Third party industry and statistical data in this Prospectus may be incomplete, incorrect or unreliable.***

Neither Lead Manager nor we have independently verified the data obtained from the official and industry publications and other sources referred in this Prospectus and therefore, while we believe them to be true, there can be no assurance that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. The discussion of matters relating to India, its economy and our industry in this Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data or report and do not take responsibility for any errors or omissions or for the results obtained from using their data or report. Accordingly, investors should not place undue reliance on, or base their investment decision on this information, see chapter titled "*Industry Overview*" beginning on page 69 of this Prospectus.

- 40) *The purposes for which the proceeds of the Issue are to be utilized have not been appraised by any bank or***

financial institution. In the event of any upward revision in the estimates, our proposed expenditure would increase which could adversely affect our results of operations, profitability and our ability to effectively implement our business plans.

We intend to use the proceeds that we receive from the Issue for the purposes described in section "*Objects of the Offer*" beginning on page 59 of the Prospectus. The estimated project cost has not been appraised by any bank or financial institution. The fund requirements are based on management estimates and on current market conditions. In view of the competitive nature of our industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change. This may result in the rescheduling of our expenditure programmes or increase in our proposed expenditure for our objects and which may adversely affect our results of operations profitability and our ability to effectively implement our business plans. Further, the utilization of the proceeds from the Issue will be monitored by our Board and is not subject to any monitoring by any independent agency.

- 41) *Our company has not carried out any independent appraisal of our working capital requirements. Therefore, if our estimation is not accurate or the assumptions we have taken prove to be not correct, we may be required to raise additional debt on terms that may not be totally favorable to us.***

Our working capital requirements have been assessed based on the management's estimates and the same have not been independently appraised or evaluated by any bank or financial institution. Further, the estimates of our working capital requirement are totally based on the experience of our management. We cannot assure that these estimates may be accurate. If these estimates prove to be wrong, we may be required to raise additional debt, on terms that may not be totally favorable to our Company, which may in turn adversely affect our profitability. For further details, see chapter titled "*Objects of the Offer*" beginning on page 59 of this Prospectus.

- 42) *Our Company has not made any alternate arrangements for meeting our fund requirements for the 'Objects of the Issue'. Further, we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect business, operations and financial condition.***

As on date, we have not made any alternate arrangements for meeting our fund requirement for the '*Objects of the Offer*' i.e. modernization and expansion of our unit at D-3, UPSIDC Industrial Area Jainpur, Kanpur Dehat, Uttar Pradesh working capital and general corporate purpose etc. We meet our fund requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our fund requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer proceeds may delay the implementation schedule and could adversely affect the growth plans. For further details, see chapter titled "*Objects of the Offer*" beginning on page 59 of the Prospectus.

Risks Relating to the Issue and Investments in our Equity Shares

- 43) *We may not declare dividends in the foreseeable future.***

The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on various factors. Accordingly, realization of a gain on shareholder investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that the Equity shares will appreciate in value.

- 44) *We may require further equity issuance, which will lead to dilution of equity and may affect the market price***

of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure and any future equity offerings by us.

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the Offer Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence adversely affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

45) *You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.*

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT"), is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

46) *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.*

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of us. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although, these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their

market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

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

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

- 48) *Fluctuations in currency exchange rates may have an adverse impact on the investment in our Equity Shares.***

The exchange rate between the Indian Rupee and the U.S. Dollar has changed substantially in recent years and may fluctuate substantially in the future. Fluctuations in the exchange rate between the U.S. Dollar and the Indian Rupee may affect the value of the investment in our Equity Shares of a person resident outside India. Specifically for persons resident outside India, if there is a change in relative value of the Indian Rupee to the U.S. Dollar, each of the following values will also be affected: the U.S. Dollar equivalent of the Indian Rupee trading price of our Equity Shares in India; the U.S. Dollar equivalent of the proceeds that you would receive upon the sale in India of any of our Equity Shares; and the U.S. Dollar equivalent of cash dividends, if any, on our Equity Shares, which will be paid only in Indian Rupee. You may be unable to convert Indian Rupee proceeds into U.S. Dollars or any other currency or the rate at which any such conversion could occur could fluctuate.

Risks Relating to India /External Risk Factors

- 49) *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

- 50) *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of

investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

51) *Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.*

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

52) *Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.*

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

53) *Political, economic and social changes in India could adversely affect our business.*

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

54) *Our transition to Ind AS or IFRS reporting could have an adverse effect on our reported results of operations or financial condition.*

On January 2, 2015, the Ministry of Corporate Affairs, Government of India (MCA) announced the revised roadmap for the implementation of Ind AS for companies other than banking companies, insurance companies and non-banking finance companies through a press release. On February 16, 2015, the MCA issued the Companies (Indian Accounting Standards) Rules, 2015 (Indian Accounting Standard Rules) to be effective from April 1, 2015. The Indian Accounting Standard Rules provide for voluntary adoption of Ind AS by companies in financial year 2015 and, implementation of Ind AS will be applicable from April 1, 2016 to companies with a net worth of ₹5,000 million or more. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS. There can be no assurance that the adoption of Ind AS by our Company will not adversely affect its results of operation or financial condition. Any failure to successfully adopt Ind AS in accordance with the prescribed timelines may have an adverse effect on the financial position and results of operation of our Company.

55) *Our business is dependent on the Indian economy.*

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by center or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

Prominent Notes:

- 1) Public Issue up to 54,30,000 Equity Shares of Face Value of ₹ 10.00 each of Tasty Dairy Specialities Limited ("TDSL" or "Our Company" or "The Issuer") for Cash at a Price of ₹45/- Per Equity Share (Including a Share Premium of ₹ 35 /- per Equity Share) ("Issue Price") aggregating to ₹2443.50 Lacs, of which up to 2,76,000 Equity Shares of Face Value of ₹ 10.00 each at a price of ₹45 /- aggregating to ₹ 124.20 Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion") and Net Issue to Public to 51,54,000 Equity Shares of Face Value of ₹ 10.00 each at a price of ₹45 aggregating to 2319.30 (hereinafter referred to as the "Net Issue") The Issue and the Net Issue will constitute 26.58% and 25.23% respectively of the Post Issue paid up Equity Share Capital of Our Company.
- 2) This Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company, pursuant to Rule 19(2) (b) (i) of the Securities Contracts (Regulation) Rules, 1957 as amended. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, since our is a fixed price issue 'the allocation' is the net issue to the public category shall be made as follows:
 - a) Minimum fifty percent to retail individual investors; and
 - b) Remaining to
 - (i) Individual applicants other than retail individual investors; and
 - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
 - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

- 3) The net worth of our Company as on March 31, 2017, March 31, 2016 and March 2015 was ₹3,432.04 Lakhs, ₹2,980.31 Lakhs, and ₹2,518.58 Lakhs respectively based on Restated Financial Statements. For more information, see section titled "Financial Information of the Company" beginning on page 132 of this Prospectus.

- 4) The NAV / Book Value per Equity Share, based on Restated Financials of our Company as on March 31, 2017, March 31, 2016 and March 31, 2015 was ₹22.89, ₹19.88 and ₹16.85 per equity share respectively based on Restated Financial Statements. For more information, see section titled "Financial Information of the Company" beginning on page 132 of this Prospectus.
- 5) The average cost of acquisition of Equity Shares by our Promoters is set out below:

| Sr. No. | Name of Our Promoters | Number of Equity Shares Held | Average Cost of Acquisitions per Shares (₹) |
|---------|-----------------------|------------------------------|---|
| 1) | Mrs. Sonia Mehra | 1,35,00,000 | 0.067 |
| 2) | Mr. Atul Mehra | 14,79,000 | 0.067 |
| 3) | Mr. Prem Nandan Mehra | 15,000 | 0.067 |

For further details, see chapter titled "Capital Structure" beginning on page 46 of this Prospectus.

- 6) The details of transactions of our Company with related parties, nature of transactions and the cumulative value of transactions please refer to section titled "Financial Information of the Company – Annexure XXVII Statement of Related Parties Transactions, and Related Party Transactions" beginning on page 132 and on page 158 of this Prospectus.
- 7) No Group Companies/ Entities have any business or other interest in our Company, except as stated in section titled "Financial Information of the Company – Annexure XXVII -Statement of Related Parties Transactions, as Restated" beginning on page 132 and "Our Group Companies/Entities" beginning on page 125 of this Prospectus and to the extent of any Equity Shares held by them and to the extent of the benefits arising out of such shareholding.
- 8) Our Company was incorporated as Tasty Dairy Specialities Private Limited on July 30, 1992 with the Registrar of Companies, Kanpur as a Private Limited company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kanpur & Nainital (Uttar Pradesh & Uttarakhand). Our Company was converted into a public Limited Company and accordingly the name of our Company was changed to Tasty Dairy Specialities Limited pursuant to a special resolution passed by our Shareholders at the EGM held on April 10, 2004. A fresh certificate of incorporation upon conversion to public limited company was issued on November 25, 2004 by Registrar of Companies, Kanpur, Uttar Pradesh. The Corporate Identification Number of our Company is U15202UP1992PLC014593. For further details, see chapter titled "History and Certain Corporate Matters" beginning on page 104 of this Prospectus.
- 9) None of our Promoters, Promoter Group, Directors and their relatives have entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of Prospectus.
- 10) Our Company, Promoters, Directors, Promoter Group have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI nor they have been declared as willful defaulters by RBI / Government authorities. Further, no violations of securities laws have been committed by them in the past or pending against them.
- 11) Investors are advised to see the chapter titled "Basis for Issue Price" beginning on page 65 of this Prospectus.
- 12) The Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
- 13) Investors are free to contact the Lead Manager i.e. Mark Corporate Advisors Private Limited for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

- 14)** In the event of over-subscription, allotment shall be made as set out in paragraph titled "Issue Procedure" beginning on page 208 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
- 15)** The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any Equity Shares of our Company held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapter titled "Our Management", "Our Promoters and Promoter Group", "Financial Information of the Company" beginning at page 108, 120 and 132 respectively of this Prospectus.
- 16)** No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details, please see "Financial Information of the Company" beginning on page 132 of this Prospectus.
- 17)** Trading in the Equity Shares for all investors shall be in dematerialized form only.
- 18)** No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, Key Managerial Personnel or Group Companies.

For information on the changes of the objects clause of the Memorandum of Association of our Company, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page 104 of this Prospectus.

SECTION III - INTRODUCTION

SUMMARY OF OUR INDUSTRY

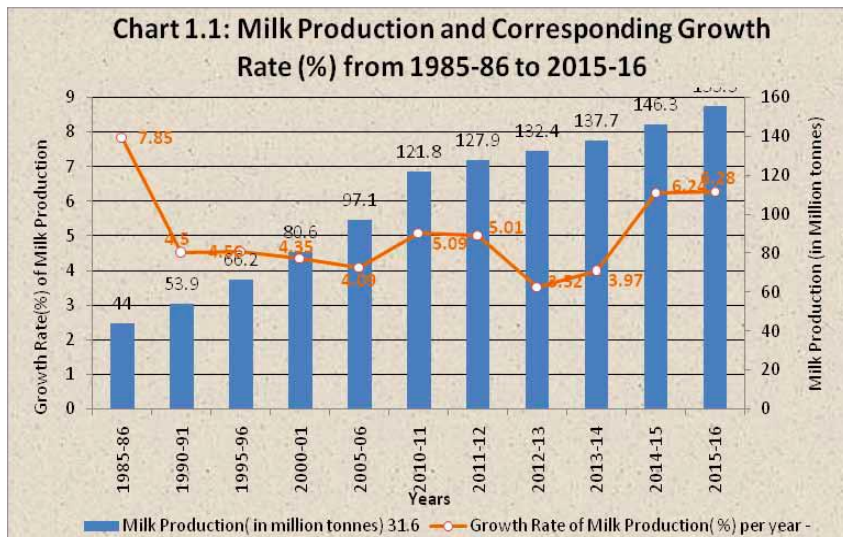
Overview of Indian economy

Dairy activities have traditionally been integral to India's rural economy. The country is one of the largest producer of dairy products in the world and almost entire production is consumed by the nation. Despite being the world's largest producer, the dairy sector is by and large in the primitive stage of development and modernization. On the demand side, the situation is buoyant. With the sustained growth of the Indian economy and a consequent rise in the purchasing power during the last two decades, more and more people today are able to afford milk and value added dairy products. This trend is expected to continue with the sector experiencing a robust growth in demand in the short and medium run. If the impediments in the way of growth and development are left unaddressed, India is likely to face a serious supply - demand mismatch and it may gradually turn into a substantial importer of milk and milk products.

The Indian economy expanded 6.3 percent year-on-year in the third quarter of 2017, above a 5.7 percent in the previous quarter which was the lowest in near three years, but below market expectations of a 6.4 percent. Investment and inventories growth rebounded, offsetting a slowdown in both private and public spending. GDP Annual Growth Rate in India averaged 6.12 percent from 1951 until 2017, reaching an all-time high of 11.40% in the first quarter of 2010 and a record low of -5.20 percent in the fourth quarter of 1979.

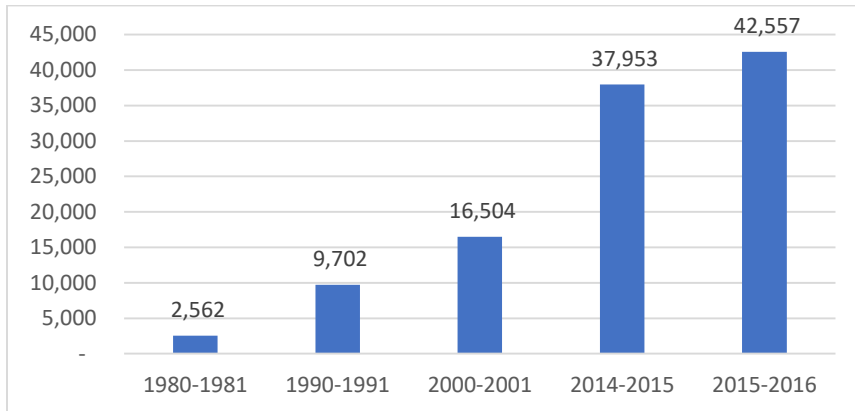
Milk Production

India continues to be the largest producer of milk in world. Several measures have been initiated by the Government to increase the productivity of livestock, which has resulted in increasing the milk production significantly from the level of 102.6 million tonnes at the end of the Tenth Plan (2006-07) to 127.9 million tonnes at the end of the Eleventh Plan (2011-12). Milk production during 2014-15 and 2015-16 is 146.3 million tonnes and 155.5 million tonnes respectively showing an annual growth of 6.27% per capita availability of milk is around 337 grams per day in 2015-16 production of milk and corresponding growth rate (%) per year from 1985-86 to 2015-16 is shown in chart



Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

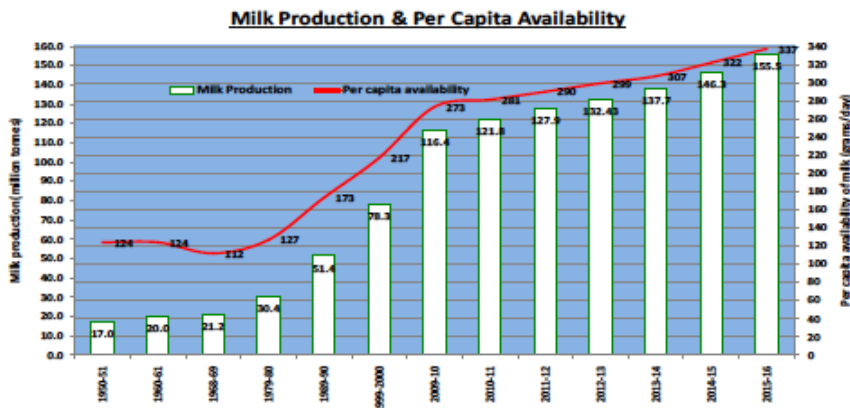
Milk Procurement (in thousands kilograms per day)



Source: http://www.nddb.org/sites/default/files/NDDB_AR_2015-16Eng.pdf

Dairy Development

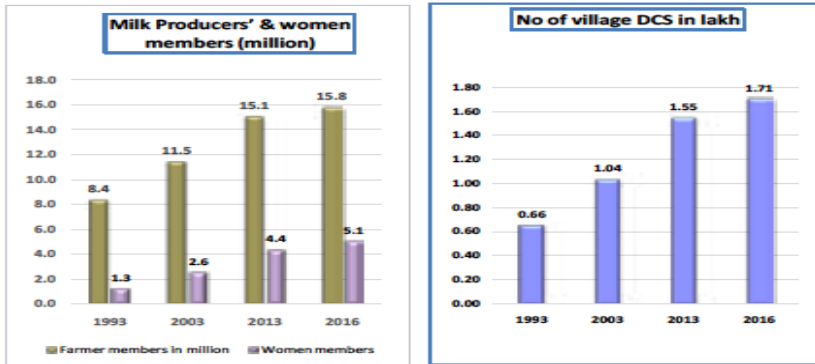
The Dairy sector in India has grown substantially over the years. As a result of prudent policy intervention, India ranks first among the world's milk producing nations, achieving an annual output of 155.49 million tonnes during the year 2015-16 as compared to 146.31 million tonnes during 2014-15 recording a growth rate of 6.27 %. FAO reported 1.8% increase in world milk production from 789 million tonnes in 2014 to 803 million tonnes in 2015. This represents a sustained growth in the availability of milk and milk products for growing population.



Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

Dairying has become an important secondary source of income for millions of rural families and has assumed the most important role in providing employment and income generating opportunities particularly for women and marginal farmers. The per capita availability of milk has reached a level of 337 grams per day during the year 2015-16, which is more than the world average of 299 grams per day in 2015. Most of the milk in the Country is produced by small, marginal farmers and landless laborers. 198 dairy cooperative milk unions have covered about 15.83 million farmers under the ambit of 1,70,992 village level dairy cooperative societies have procured an average of 42.55 million kgs per day of milk during the year 2015-16 as compared to 38 million kgs per day in the previous year recording a growth of 12%. The sale of liquid milk by the Cooperative Dairies has reached 32 million liters per day during the year 2015-16 as compared to 31.24 million liters per day registering a growth of 2.7% over the previous year up to March 2016. The Cooperative Milk Unions

Dairying in India : Cooperatives



Source: NDDB annual Report

Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as a private limited company on 30th July, 1992 under the name Tasty Dairy Specialities Private Limited vide certificate of Incorporation dated July 30, 1992, issued by the Registrar of Companies, Kanpur under the provisions of Companies Act 1956. Subsequently, our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on April 10, 2004 and the name of our company was changed to “Tasty Dairy Specialities Limited”. Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Kanpur on November 25, 2004. The Corporate Identification Number of our Company is U15202UP1992PLC014593.

Our Company is currently involved in processing milk, along with bulk milk procurement and handling during season time which primarily caters to bulk and marquee institutional customers. Company is further involved in value added milk products like Skimmed Milk Powder, Butter, Ghee, Dairy Whitener, Concentrated Milk etc. This is providing us a firm ground to enter into retail segment. Currently, our Company is situated in Uttar Pradesh, which is one of the largest milk producer State in India. Our manufacturing unit at D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat, Uttar Pradesh falls in the richest milk belt of U.P. The Company with the existing plant and machinery is capable of handling approximately 5,00,000 litres of raw milk which comprises of 1,60,000 litres of milk packaging, 20,000 litres of buttermilk packaging, 2,20,000 Litres for making Skimmed Milk Powder and Ghee and 2,00,000 litres of bulk milk processing. These facilities are not only in close proximity to our milk procurement region but also to our target market.

Over the two decades, the Company invested consistently in proactive capacity creation, stretching its gearing to a peak. Mr. Atul Mehra is a qualified technocrat and prominent business leader in the dairy industry in India. He has contributed immensely to the dairy industry through his experience nationally as well as internationally and is also a vivid speaker on the subject. Our Company has achieved tremendous growth and success under his able guidance. For further details of our promoters, please refer chapter titled “*Promoters and Promoter group*” and “*Our Management*” on page number 120 and 108 respectively of this Prospectus.

We are catering to the best of the customers in Indian dairy segment and our prime customers being Delhi Milk scheme (a Central Government of India Organisation), Mother Dairy (a wholly owned subsidiary of the National Dairy Development Board (NDDB)), Parle Products, Sterling Agro Industries Limited, Kwality Dairy Limited, Perfetti Van Melle etc. The Company has elevated itself in processing to meet stringent audits of respected names like GCMMF (Amul).

The Company has enjoyed the trust of the vendors utilising the facility for production of goods conforming to the highest quality. Not only that these marquee names have chosen to work with the Company but have given repeated business and have significantly contributed in the growth of the Company.

Our Company has wide range of quality dairy products under its umbrella which includes Pasteurized Liquid Milk, Cream, Butter (White/Salted), Pure Desi Ghee (Clarified Butter), Paneer (Fresh Cottage Cheese), Skimmed Milk Powder, Full Cream Milk Powder, Dairy Whitener, Instant Gulab Jamun Mix, Pedas (a Indian Sweet), Mithai Powder etc., are packaged under the brand names “UJJWAL”, “SHIKHAR”, “VERIFRESH”, “CIMA”, “MITHAI MASTER” which are available in Uttar Pradesh, Madhya Pradesh and Bihar, whereas, the institutional products are supplied pan India. As of September 30, 2017, our distributor network included more than 20 distributors through which we serve a large number of retail outlets.

Our Company caters to domestic as well as multinational companies. We are an accepted name with Government organizations, co-operative societies, defence sector and the organized retail sector.

Our Company bears the fruit of a semi-automated plant, highly motivated, skilled and dedicated workforce. We impart continuous training to our employees, which helps the organization stay abreast of the rapidly changing preferences and taste of consumers.

We have received several quality certifications relating to our products and production facilities, including ISO 22000:2005 certification from IRCLASS Systems and Solutions Private Limited for receipt of raw milk, processing,

packaging, storage and dispatch of pasteurized milk and milk products. The company has made constant efforts in raising the bar by achieving various quality standards like BIS certificate from Bureau of Indian Standard in respect of skimmed milk powder, AGMARK quality certification for ghee, approval for processing and packaging of milk products for export by Export Council of India. Our products undergo stringent quality check and meet the highest standards set by our customers.

CAGR information relating to total income, profit after tax and EBITDA margin are based on our Restated Standalone Financial Statements for FY 2013 to 2017. Our total income in FY 2015, 2016, 2017 and the six months period ended September 30, 2017 was ₹3,079.5 million, ₹3,348.8 million, ₹ 2,390 million and ₹ 1374.6 million, respectively. Our EBITDA in FY 2015, 2016, 2017 and the six months period ended September 30, 2017 was ₹ 117.80 million, ₹ 132.36 million, ₹133.03 million and ₹ 70.41 million, respectively, while our profit after tax, in such periods was ₹ 44.50 million, ₹ 46.17 million, ₹ 45.17 million and ₹ 24.37 million, respectively.

Manufacturing Facility

Our Company's manufacturing activities are undertaken at D-3, UPSIDC Industrial Area Jainpur, Kanpur Dehat, Uttar Pradesh which is spread over an area admeasuring around 15078 square meters approximately. Our unit is well equipped with wide range of machineries and other handling equipment to facilitate smooth manufacturing process. Our Company also has additional land bank for expansion, adjoining to the existing manufacturing unit.

SUMMARY OF OUR FINANCIAL STATEMENTS

The following summary of financial statements have been prepared in accordance with Indian GAAP, the companies Act and the SEBI (ICDR) Regulations 2009 and restated as described in the Peer Review Auditor's Report in the chapter titled 'Financial Statements' beginning on page no 132 of this Prospectus. The summary financial information presented below should be read in conjunction with our restated financial statements for the half year ended September 30, 2017 and financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 including the notes thereto and the chapter titled 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page no 162 of this Prospectus.

Statement of Assets and Liabilities, as Restated

(₹ in Lakhs)

| Particulars | Six Months period ended Sept' 2017 | As at 31 March, | | | | |
|--|------------------------------------|-----------------|----------------|----------------|----------------|----------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| I. EQUITY AND LIABILITIES | | | | | | |
| (1) Shareholder's Funds | | | | | | |
| (a) Share Capital | 1,500.00 | 900.00 | 900.00 | 900.00 | 900.00 | 900.00 |
| (b) Reserves and Surplus | 2174.85 | 2532.04 | 2080.31 | 1618.58 | 1172.64 | 629.88 |
| (2) Share Application Money Pending Allotment | - | - | - | - | - | - |
| (3) Non-Current Liabilities | | | | | | |
| (a) Long-Term Borrowings | 495.45 | 421.63 | 507.62 | 326.38 | 211.04 | 299.64 |
| (b) Deferred Tax Liability(Net) | 6.35 | 14.78 | 36.41 | 14.40 | 42.97 | 51.62 |
| (c) Other Long Term Liabilities | 171.00 | 171.00 | 411.91 | 429.25 | 278.72 | 597.90 |
| (d) Long-Term Provisions | 17.05 | 14.80 | 14.11 | 11.68 | - | - |
| (4) Current Liabilities | | | | | | |
| (a) Short-Term Borrowings | 3926.32 | 4129.73 | 3654.11 | 3262.30 | 2509.75 | 2261.71 |
| (b) Trade Payables | 2179.42 | 630.99 | 185.85 | 160.33 | 151.93 | 174.16 |
| (c) Other Current Liabilities | 483.28 | 388.93 | 523.37 | 619.04 | 554.85 | 923.02 |
| (d) Short-Term Provisions | 28.16 | 6.91 | 22.86 | 31.69 | 43.70 | 36.49 |
| TOTAL | 10,981.89 | 9209.91 | 8336.55 | 7373.66 | 5865.59 | 5874.42 |
| II. ASSETS | | | | | | |
| (1) Non-Current Assets | | | | | | |
| (a) Fixed Assets | | | | | | |
| - Tangible Assets | 1468.31 | 1580.68 | 1666.68 | 1214.64 | 1373.96 | 1554.97 |
| - Intangible Assets | - | - | - | - | - | - |
| - Capital Work in Progress | - | - | - | 156.69 | - | - |
| (b) Non-Current Investments | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 |
| (c) Long Term Loans And Advances | 365.15 | 365.15 | 302.75 | 440.28 | 507.92 | 507.92 |
| (d) Other Non-Current Assets | 105.17 | 107.27 | 144.28 | 144.45 | 212.93 | -104.99 |
| (2) Current Assets | | | | | | |
| (a) Current Investment | 25.00 | 246.50 | - | - | - | - |
| (b) Inventories | 5539.64 | 4292.54 | 4086.28 | 3982.94 | 2779.73 | 2637.79 |
| (c) Trade receivables | 2118.09 | 1822.86 | 794.53 | 810.71 | 412.97 | 299.00 |
| (d) Cash and Cash Equivalents | 199.42 | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 |
| (e) Short-Term Loans And Advances | 1136.62 | 604.37 | 1207.72 | 482.56 | 263.85 | 99.00 |
| (f) Other Current Assets | 23.97 | 52.73 | 41.55 | 50.28 | 13.35 | 6.77 |
| TOTAL | 10981.89 | 9209.91 | 8336.55 | 7373.66 | 5865.59 | 5874.42 |

Statement of Profit & Loss, as Restated

(₹ in Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|---|------------------------------------|------------------------------|------------------|------------------|------------------|------------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| REVENUE: | | | | | | |
| Revenue From Operations (Net of Taxes) | 13,729.67 | 23,879.13 | 33,443.18 | 30,783.58 | 25,153.27 | 20,438.51 |
| Other Income | 10.38 | 20.73 | 45.31 | 11.70 | 36.76 | 41.55 |
| Total Revenue | 13,740.00 | 23,900.00 | 33,488.00 | 30,795.00 | 25,190.00 | 20,480.00 |
| EXPENSES: | | | | | | |
| Cost of Material Consumed | 12,315.18 | 21,495.42 | 29,311.40 | 29,087.19 | 23,559.13 | 18,423.84 |
| Purchase of Stock-in -Trade | - | - | - | - | - | - |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 276.18 | (161.07) | 1,623.32 | (617.33) | (567.49) | (95.28) |
| Employee benefit expenses | 114.39 | 239.81 | 228.33 | 220.21 | 136.55 | 145.23 |
| Financial Cost | 265.54 | 476.90 | 442.63 | 383.81 | 370.56 | 375.42 |
| Depreciation and amortization expenses | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| Others Expenses | 337.01 | 995.35 | 1,001.79 | 927.18 | 958.95 | 945.63 |
| Total Expenses | 13,424.00 | 23,315.00 | 32,874.00 | 30,224.00 | 24,647.00 | 20,019.00 |
| Profit before exceptional, extraordinary items and tax | 315.99 | 584.36 | 614.92 | 571.52 | 542.68 | 460.64 |
| Less: Exceptional Items | - | - | - | - | - | - |
| Profit before extraordinary items and tax (A-B) | 315.99 | 584.36 | 614.92 | 571.52 | 542.68 | 460.64 |
| Prior Period Items | - | - | - | - | - | - |
| Extra ordinary items | - | (3.18) | (4.55) | (3.20) | 0.58 | 1.60 |
| Profit before tax | | | | | | |
| <i>Tax expense :</i> | | | | | | |
| Current tax | 64.61 | 122.83 | 130.58 | 121.16 | 115.93 | 98.35 |
| MAT Credit Entitlement | 17.00 | 34.61 | 5.17 | 33.48 | (107.94) | (79.07) |
| Income tax relating to earlier year | - | - | - | - | - | - |
| Deferred Tax | (8.43) | (21.63) | 22.01 | (27.69) | (8.65) | (11.86) |
| Mat Assets | - | - | - | - | - | - |
| Profit/(Loss) for the period After Tax-PAT | 242.81 | 451.73 | 461.72 | 447.78 | 542.76 | 451.62 |
| No. of Shares | 1,50,00,000 | 9,00,000* | 9,00,000* | 9,00,000* | 9,00,000* | 9,00,000* |
| Earning per Equity Share: | | | | | | |
| (1) Basic | 1.62 | 50.19 | 51.30 | 49.44 | 60.31 | 50.18 |
| (2) Diluted | 1.62 | 50.19 | 51.30 | 49.44 | 60.31 | 50.18 |

Statement of Cash Flow, as Restated

(₹ in Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|--|------------------------------------|------------------------------|----------|------------|----------|----------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Cash Flow From Operating Activities: | | | | | | |
| Net Profit before tax as per Profit And Loss A/c | 315.99 | 587.54 | 619.48 | 574.72 | 542.10 | 459.04 |
| Adjustments for: | | | | | | |
| Depreciation & Amortization Expense | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| Interest Income | 3.81 | 10.91 | 7.18 | 4.09 | 11.50 | 41.35 |
| Finance Cost | 265.54 | 476.90 | 442.63 | 383.81 | 370.56 | 375.42 |
| (Profit)/Loss on Sale of Fixed Assets | - | (3.18) | (4.55) | (3.20) | 0.58 | 1.60 |
| | - | - | - | - | - | - |
| Operating Profit Before Working Capital Changes | 693.50 | 1,319.44 | 1,319.44 | 1,173.95 | 1,091.38 | 1,019.29 |
| Adjusted for (Increase)/Decrease in: | | | | | | |
| (Increase) /Decrease in Trade Receivables | (295.22) | (1,028.34) | 16.18 | (397.73) | (113.97) | 387.05 |
| (Increase) /Decrease in Loans & Advances | (532.26) | 603.36 | (725.16) | (218.72) | (164.85) | 414.37 |
| (Increase) /Decrease in Inventories | (1,247.10) | (206.26) | (103.34) | (1,203.20) | (141.94) | (536.05) |
| (Increase) /Decrease in Other Current Assets | 28.77 | -11.18 | 8.74 | (36.94) | (6.57) | (1.23) |
| Increase / (Decrease) in Trade Payables | 1,549.33 | 444.24 | 25.52 | 8.40 | (22.23) | (508.85) |
| Increase/ (Decrease) in Other Current Liabilities | 94.35 | (134.45) | (95.67) | 64.20 | (368.18) | 24.02 |
| Short Term provision | 2.26 | 0.68 | 2.43 | 11.68 | - | - |
| Long Term Provision | 21.25 | (15.95) | (8.83) | (12.01) | 7.21 | (16.24) |
| Cash Generated From Operations | (378.64) | (347.90) | (880.13) | (1,784.32) | (810.53) | (236.93) |
| Appropriation of Profit | - | - | - | - | - | - |
| Net Income Tax paid/ refunded | 64.61 | 122.83 | 130.58 | 121.16 | 115.93 | 98.35 |
| Net Cash Flow from/(used in) Operating Activities: (A) | 250.25 | 848.71 | 305.78 | (731.54) | 164.92 | 684.01 |
| | | | | | | |
| Cash Flow From Investing Activities: | | | | | | |
| Net (Purchases)/Sales of Fixed Assets (including capital work in progress) | (3.40) | (179.92) | (556.90) | (219.57) | (9.21) | (41.46) |
| Interest Received | 3.81 | 10.91 | 7.18 | 4.09 | 11.50 | 41.35 |
| Net (Increase)/Decrease in Long Term Loans & Advances | (17.00) | (97.01) | 132.36 | 34.16 | 107.94 | (253.87) |
| Proceeds From Sale or Purchase OF Investments | 221.50 | (246.50) | - | - | - | (0.50) |
| Net (Increase)/Decrease in | | | | | | |

| | | | | | | |
|---|----------|----------|----------|----------|----------|----------|
| Non-Current Assets | 2.10 | 37.01 | 0.17 | 68.48 | (107.94) | (104.99) |
| Net Cash Flow from/(used in) Investing Activities: (B) | 207.00 | (475.51) | (417.19) | (112.85) | 2.29 | (359.46) |
| Cash Flow from Financing Activities: | | | | | | |
| Proceeds From issue of Share Capital | - | - | - | - | - | - |
| Net Increase/(Decrease) in Long Term Borrowings | 73.83 | (86.00) | 181.24 | 115.35 | (88.61) | (199.17) |
| Net Increase/(Decrease) in Short Term Borrowings | (203.41) | 475.62 | 391.81 | 752.55 | 248.04 | (190.32) |
| Net Increase/(Decrease) in Other Long Term Liabilities | - | (240.91) | (17.34) | 150.53 | (319.18) | 597.76 |
| Interest and Financial Charges Paid | (265.54) | (476.90) | (442.63) | (383.81) | (370.56) | (375.42) |
| Net Cash Flow from/(used in) Financing Activities (C) | (395.12) | (328.17) | 113.07 | 634.61 | (530.31) | (167.15) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 62.13 | 45.03 | 1.66 | -209.78 | -363.09 | 157.40 |
| Cash & Cash Equivalents As At Beginning of the Year | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 | 506.08 |
| Cash & Cash Equivalents As At End of the Year | 199.42 | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 |

THE ISSUE

| Particulars | No of Equity Shares |
|--|--|
| Equity Shares Offered [#] | 54,30,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹45 per Equity Share aggregating ₹2443.50 lakhs |
| <i>Fresh Issue consisting of:</i> | |
| Issue Reserved for Market Maker | 2,76,000 Equity Shares of face value of ₹10 each fully paid of the Company for cash at price of ₹45 per Equity Share aggregating ₹124.20 lakhs |
| Net Issue to Public | 51,54,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share to the Public |
| | <i>of which:</i> |
| | 25,77,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share to the Retail Portion |
| | 25,77,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share to the Non-Retail Portion |
| Equity Shares outstanding prior to the Issue | 1,50,00,000 Equity Shares |
| Equity Shares outstanding after the Issue | 2,04,30,000 Equity Shares |
| Objects of the Issue | Please refer chapter ' <i>Objects of the Issue</i> ' on page no 59 of this Prospectus |

[#]Public issue of up to 54,30,000 Equity Shares of ₹10.00 each for cash at a price of ₹45 per Equity Share of our Company aggregating to ₹2443.50 lakhs is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to section '*Terms of the Issue*' on page 200 of this Prospectus.

The Issue has been authorized by our Board pursuant to a resolution dated November 10, 2017, and by our Equity Shareholders pursuant to a resolution passed at the Extraordinary General Meeting held on December 09, 2017.

Note:

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

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

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

GENERAL INFORMATION

Our Company was originally incorporated as ‘Tasty Dairy Specialities Private Limited’ on July 30, 1992 with the Registrar of Companies, Kanpur as a Private Limited company under the provisions of the Companies Act, 1956. Subsequently our Company was converted into a Public Limited Company and the name of our Company was changed to ‘Tasty Dairy Specialities Limited’. A fresh certificate of incorporation consequent upon conversion to public limited Company was issued by the Registrar of Companies, Kanpur on November 25, 2004. For further details of our Company, please refer “General Information” and “History and Certain Other Corporate Matter” on page no 39 and 104, respectively, of this Prospectus.

Registered Office

D-3, UPSIDC Industrial Area, Jainpur,
Kanpur Dehat-209 311, Uttar Pradesh

Administrative Office

G-6, 12/483, Ratandham McRobert Ganj,
Kanpur-208 001, Uttar Pradesh

Board of Directors

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:

| Sr. No. | Name | Designation | DIN | Address |
|---------|----------------------------|--------------------------------|----------|---|
| 1) | Mr. Atul Mehra | Chairman & Whole Time Director | 00811607 | 7/76-B Tilak Nagar, Nawabganj, Kanpur-208002, Uttar Pradesh |
| 2) | Mr. Prem Nandan Mehra | Executive Director | 01036877 | 2A/410, Azad Nagar, Kanpur-208002, Uttar Pradesh |
| 3) | Mr. Mahendra Kumar Singh | Executive Director | 02727150 | 1, H-1, Dabauli, Udyog Nagar, Kanpur-208002, Uttar Pradesh |
| 4) | Mr. Narendra Shankar Sathe | Independent Director | 07195257 | Flat No. 304, Vaishno Apartment, 3A/152, Azad Nagar, Nawabganj, Kanpur-208 002, Uttar Pradesh |
| 5) | Mr. Neeraj Kanodia | Independent Director | 07195262 | 6, Tulsa Enclave, 4/281, Parwati Bangla Road, Swaroop Nagar, Kanpur-208002, Uttar Pradesh |
| 6) | Mrs. Vimi Sinha | Independent Director | 07311247 | 804 Nageshwar Villa, 7/1905, Swaroop Nagar, Kanpur-208002, Uttar Pradesh |

For further details of Management of our Company, please refer to section titled “Our Management” beginning on page no 108 of this Prospectus.

Registrar of Companies

Name : RoC, Kanpur & Nainital (Uttar Pradesh & Uttarakhand)
Address : 37/17, Westcott Building, The Mall, Kanpur-208001
Tel No. : +91 0512 2310443/2310227/2310323
E-Mail ID : roc.kanpur@mca.gov.in
Website : www.mca.gov.in

Company Secretary & Compliance Officer

Name : Ms. Nishi
Address : G-6, 12/483, Ratandham McRobert Ganj, Kanpur-208001, Uttar Pradesh
Tel No. : + 91 512 7107777
E-Mail ID : cs@tastydairy.com

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

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

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

Chief Financial Officer

Name : Mr. Rakesh Kumar Yadav
Address : G-6, 12/483, Ratandham McRobert Ganj, Kanpur-208 001, Uttar Pradesh
Tel No. : + 91 512 7107777
E-Mail ID : rakesh@tastydairy.com

Designated Stock Exchange

Name : BSE Limited
Address : 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai-400 001
Tel No. : +91 22 2272 8893
E-Mail ID : corp.comm@bseindia.com
Website : www.bsesme.com

Lead Manager to the Issue

Name : Mark Corporate Advisors Private Limited
Address : 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057.
Tel No. : +91 22 2612 3207/08
Contact Person : Mr. Manish Gaur
E-Mail ID : smeipo@markcorporatedvisors.com
SEBI Reg. No. : INM000012128
Investor Grievance E-Mail ID : investorgrievance@markcorporateadvisors.com
Website : www.markcorporateadvisors.com

Designated Intermediaries

Advisor to the Company

Name : NNM NextGen Advisory Private Limited
Address : B-6/7, Shri Siddhivinayak Plaza, 2nd Floor, Plot No. B-31, Oshiwara, Opp. Citi Mall, Behind Maruti Showroom, Andheri Linking Road, Andheri (W), Mumbai-400 53
Tel No. : +91 22 4079 0011/0036
Contact Person : Mr. Nikunj Anilkumar Mittal
E-Mail ID : contact@cokaco.com
Website : www.cokaco.com

Registrar & Share Transfer Agent

Name : Bigshare Service Private Limited
SEBI Regn No. : INR000001385
Address : 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makhwana Road, Marol, Andheri (E), Mumbai – 400059
Contact Person : Mr. Ashok S Shetty
Tel No. : +91 22 2847 0652/4043 0200

E-Mail ID : ipo@bigshareonline.com
Website : www.bigshareonline.com

Statutory Auditor

Name : Atul Garg & Associates
Address : 418, Plaza Kalpana, 24/147-A, Birhana Road, Kanpur-208 001
Tel No. : +91 512 2374 401
E-Mail ID : atulgargfca@gmail.com/atulgargfca@yahoo.com

Peer Review Auditor

Name : M/s. Mittal & Associates, Chartered Accountants
Firm Regn No. : 106456W
Address : 501, Empress Nucleus, Gaothan Road, Opp. Little Flower School, Andheri (East), Mumbai-400 069
Tel. No. : +91 22 2683 2311/2/3
Contact Person : CA Hemant Bohra
E-Mail ID : audit@mittal-associates.com
Website : www.mittal-associates.com

Legal Advisor to the Issue

Name : Rajani Associates, Advocates & Solicitors
Address : 204-207, Krishna Chambers, 59, New Marine Lines, Churchgate, Mumbai-400 020
Contact Person : Ms. Sangeeta Lakhi
Tel No. : +91 22 4096 1000
Facsimile : +91 22 4096 1010
E-Mail ID : sangeeta@rajaniassociates.net
Website : www.rajaniassociates.net

Bankers to the Company

Name of the Bank : Punjab National Bank Limited
Address : Pandu Nagar, Kanpur
Contact Name : Mr. Sanjay Kumar Chaudhary
Contact No. : +91 512 225 044
E-Mail ID : bo0746@pnb.co.in
Website : www.pnbindia.in

Name of the Bank : Yes Bank Limited
Address : 14/113, Padam Tower, Civil Lanes, Kanpur-208 001
Contact Name : Mr. Javed Khan
Contact No. : +91 512 6710 510
E-Mail ID : javed.khan1@yesbank.in
Website : www.yesbank.in

Name of the Bank : Kotak Mahindra Bank Limited
Address : Commercial Banking, 21, Infinity Park, 4th Floor, Zone II, Gen A K Vaidya Marg, Malad (East), Mumbai-400 087
Contact Name : Mr. Tapobrat Chaudhuri/Mr. Sreenivasa Kolapalli
Contact No. : +91 22 6605 6825
E-Mail ID : tapobratchaudhuri@kotak.com/sreenivasakolapalli@kotak.com
Website : www.kotak.com

Name of the Bank : IndusInd Bank Limited
Address : 113/120, Opp. Moti Jheel Gate, Raj Ratan Bldg, Swaroop Nagar, Kanpur-208 002
Contact Name : Mr. Yatindra Pandey
Contact No. : + 91 512 2554 058/6
E-Mail ID : yatindra.pandey@indusind.com
Website : www.indusind.com

Name of the Bank : HDFC Bank Limited
Address : 15/63, Krishna Tower, Civil Lines, Kanpur-208 001
Contact Name : Mr. Abhishek Sharma
Contact No. : +91 98380 73741
E-Mail ID : abhishekv.sharma@hdfcbank.com
Website : www.hdfcbank.com

Bankers to the Issue

Name : IDFC Bank Limited
Address : Building No. 2, 2nd Floor, Mindspace, Juinagar, TTC Industrial Area, Navi Mumbai-400 706
Tel No. : +91 22 4285 0610/0019/0012
Fax No. : +91 22 4222 2305
E-Mail ID : escrow.services@idfcbank.com
Website : www.idfcbank.com

Self-Certified Syndicate Banks (SCSB's)

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned link.

Registered Brokers

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 04, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone numbers, are available at the websites of the BSE at www.bseindia.com, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6>, 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 websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6>, as updated from time to time.

CREDIT RATING

This being an issue of Equity Shares, there is no requirement of credit rating for the Issue.

TRUSTEES

This being an issue of Equity shares, the appointment of Trustees is not mandatory.

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000 Lakhs. Since the Issue size is less than ₹10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

DETAILS OF THE APPRAISING AUTHORITY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since, Mark Corporate Advisors Private Limited is the sole Lead Manager to this offer, all the issue related Activities will be managed by them.

EXPERT OPINION

Except the report of Statutory Auditor of our Company on statement of tax benefits included in the Prospectus, our Company has not obtained any other expert opinion.

UNDERWRITING

This Issue is 100% Underwritten. The Underwriting Agreement is dated December 28, 2017 pursuant to the terms of the underwriting agreement, the obligations of the underwriter are subject to certain conditions specified therein.

The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

| Name and Address of the Underwriter | Indicative Number of Equity shares to be Underwritten | Amount Underwritten (₹ in Lakhs) | % of the Total Issue Size Underwritten |
|---|--|---|---|
| Mark Corporate Advisors Private Limited 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057 | 8,15,000 | 366.75 | 15.01% |
| NNM Securities Private Limited 1111, Stock Exchange Tower, 11 th Floor, Dalal Street, Fort, Mumbai-400 023 | 46,15,000 | 2,076.75 | 84.99% |
| Total | 54,30,000 | 2,443.50 | 100.00% |

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, the underwriter shall be paid a commission at the rate of 0.25% of the net offer to the public.

Details of the Market Making Arrangement

Our Company has entered into Market Making Agreement dated December 28, 2017, with the Lead Managers and Market Maker, duly registered with BSE to fulfill the obligations of Market Making:

Name : NNM Securities Private Limited
Address : 1111, Stock Exchange Tower, 11th Floor, Dalal Street, Fort Mumbai-400 023
Tel No. : +91222272 2280
Fax : +9122 2272 2279
Email : Nikunj.a.mittal@gmail.com
Contact Person : Mr. Nikunj Mittal
SEBI Reg. No. : INB011044634

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

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

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹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(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) years from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25 % of Issue Size (including the 1,60,000 Equity Shares to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,60,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of Issue Size, the market maker will resume providing 2-way quotes.
- 4) There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 6) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Sparkle Securities Solutions Private Limited is acting as the sole Market Maker.
- 7) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 8) The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non- controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 10) The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

- 11) BSE SME will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE SME can impose any other margins as deemed necessary from time-to-time.
- 12) BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/trading membership.
The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
- 13) 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.

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 Share Capital of our Company as of the date of this Prospectus before and after the issue is set forth below:

(₹ In Lakhs)

| Sr. No. | Particulars | Aggregate Value at | |
|-----------|--|--------------------|-------------|
| | | Face Value | Issue Price |
| A. | AUTHORISED SHARE CAPITAL | | |
| | 2,40,00,000 Equity Shares of face value of ₹10 each | 2400.00 | |
| B. | ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL | | |
| | 1,50,00,000 fully paid up Equity Shares of face value of ₹10 each | 1500.00 | |
| C. | PRESENT ISSUE IN TERMS OF PROSPECTUS* | | |
| | 54,30,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share | 543.00 | 2443.50 |
| | <i>Which comprises of:</i> | | |
| | 2,76,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share reserved as Market Maker portion | 27.60 | 124.20 |
| | Net Issue to Public of 51,54,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share to the Public | 515.40 | 2319.30 |
| | Of which: | | |
| | Retail Portion: 25,77,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share will be available for allocation to Investors up to ₹2.00 Lakhs | 257.70 | 1159.65 |
| | Non-Retail Portion: 25,77,000 Equity Shares of face value of ₹10 each at a price of ₹45 per Equity Share will be available for allocation to Investors above ₹2.00 Lakhs | 257.70 | 1159.65 |
| D. | ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE | | |
| | 2,04,30,000 Equity Shares of face value of ₹10 each | 2043.00 | - |
| E. | SECURITIES PREMIUM ACCOUNT | | |
| | Before the Issue | | Nil |
| | After the Issue | | 1900.50 |

*The Issue has been authorized pursuant to a resolution of our Board under section 179(3)(c) & 62(1)(c) dated November 10, 2017 and a Special Resolution passed under Section 23 and Section 62(1)(c) of the Companies Act, 2013 at an EGM of our shareholders held on December 09, 2017.

Classes of Shares

The Company has only one class of Share Capital i.e. Equity Shares of face value of ₹10 each only. All Equity Shares issued are fully paid-up.

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

History of change in Authorized Equity Share Capital of Our Company:

| Sr. No. | Particulars of Change | | Date of Shareholders Meeting | AGM/EGM |
|---------|--|-------------------------------------|------------------------------|---------|
| | From | To | | |
| 1) | ₹4,00,000 (4,000 Equity Shares of ₹100 each) | | On Incorporation | - |
| 2) | 4,000 Equity Shares of ₹100 each | 10,000 Equity Shares of ₹100 each | April 10, 2004 | EGM |
| 3) | 10,000 Equity Shares of ₹100 each | 1,50,000 Equity Shares of ₹100 each | February 26, 2007 | EGM |
| 4) | 1,50,000 Equity Shares of ₹100 each | 3,00,000 Equity Shares of ₹100 each | March 25, 2010 | EGM |
| 5) | 3,00,000 Equity Shares of ₹100 each | 9,00,000 Equity Shares of ₹100 each | November 20, 2012 | EGM |
| 6) | 9,00,000 Equity Shares of ₹100 | 24,00,000 Equity Shares of ₹100 | September 25, | EGM |

| Sr. No. | Particulars of Change | | Date of Shareholders Meeting | AGM/EGM |
|---------|---------------------------------------|---------------------------------------|------------------------------|---------|
| | From | To | | |
| | each | each | 2017 | |
| 7) | 24,00,000 Equity Shares of ₹100 each* | 2,40,00,000 Equity Shares of ₹10 each | September 30, 2017 | AGM |

* Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is divided in Equity Shares of ₹10 each and therefore our resultant Authorized Capital is consisting of 2,40,00,000 Equity Shares of ₹10 each.

NOTES TO THE CAPITAL STRUCTURE:

1) Equity Share Capital History:

| Date of Allotment of Equity Shares | No. of Equity Shares Issued | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of allotment | Cumulative No. of Equity Shares | Cumulative paid-up share capital (₹) |
|------------------------------------|-----------------------------|----------------|-----------------|-------------------------|--|---------------------------------|--------------------------------------|
| Incorporation | 20 ⁽ⁱ⁾ | 100 | 100 | Cash | Subscription to MOA | 20 | 2,000 |
| 27.05.1996 | 1,980 ⁽ⁱⁱ⁾ | 100 | 100 | Cash | Further Allotment | 2,000 | 2,00,000 |
| 10.04.2004 | 3,000 ⁽ⁱⁱⁱ⁾ | 100 | 100 | Cash | Further Allotment | 5,000 | 5,00,000 |
| 26.02.2007 | 5,000 ^(iv) | 100 | 100 | Cash | Rights Issue in the ratio of 1 Equity Shares for every 1 Equity Shares | 10,000 | 10,00,000 |
| 28.02.2007 | 1,40,000 ^(v) | 100 | 100 | Other than Cash | Bonus in the ratio of 14 Equity Shares for every 1 Equity Share | 1,50,000 | 1,50,00,000 |
| 25.03.2010 | 1,50,000 ^(vi) | 100 | 100 | Other than Cash | Bonus in the ratio of 1 Equity Shares for every 1 Equity Share | 3,00,000 | 3,00,00,000 |
| 20.11.2012 | 6,00,000 ^(vii) | 100 | 100 | Other than Cash | Bonus in the ratio of 2 Equity Shares for every 1 Equity Share | 9,00,000 | 9,00,00,000 |
| 28.09.2017 | 6,00,000 ^(viii) | 100 | 100 | Other than Cash | Bonus in the ratio of 2 Equity Shares for every 3 Equity Share | 15,00,000 | 15,00,00,000 |

Note: Pursuant to AGM held on September 30, 2017, 15,00,000 Equity Shares of Face Value of ₹100 each was split into 1,50,00,000 Equity Shares of ₹10 each.

(i.) Initial Subscribers to the Memorandum of Association of our Company:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|-----------------------|------------------------|
| 1) | Mr. Prem Nandan Mehra | 10 |
| 2) | Mr. Atul Mehra | 10 |
| | TOTAL | 20 |

(ii.) Further Allotment of 1,980 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
| 1) | Mrs. Sonia Mehra | 1,000 |
| 2) | Mr. Atul Mehra | 980 |
| | TOTAL | 1,980 |

(iii.) Further Allotment of 3,000 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
| 1) | Mrs. Sonia Mehra | 3,000 |
| | TOTAL | 3,000 |

(iv.) Rights Issue of 5,000 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
| 1) | Mrs. Sonia Mehra | 5,000 |
| | TOTAL | 5,000 |

(v.) Bonus Issue of 1,40,000 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|----------------------------|------------------------|
| 1) | Mr. Atul Mehra | 13,804 |
| 2) | Mr. Prem Nandan Mehra | 140 |
| 3) | Mrs. Sonia Mehra | 1,26,000 |
| 4) | Mr. Narendra Shankar Sathe | 14 |
| 5) | Mr. Shubhada N Sathe | 14 |
| 6) | Mrs. Bharti Garg | 14 |
| 7) | Mr. Anubhav Garg | 14 |
| | TOTAL | 1,40,000 |

(vi.) Bonus Issue of 1,50,000 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|----------------------------|------------------------|
| 1) | Mr. Atul Mehra | 14,790 |
| 2) | Mr. Prem Nandan Mehra | 150 |
| 3) | Mrs. Sonia Mehra | 1,35,000 |
| 4) | Mr. Narendra Shankar Sathe | 15 |
| 5) | Mr. Shubhada N Sathe | 15 |
| 6) | Mrs. Bharti Garg | 15 |
| 7) | Mr. Anubhav Garg | 15 |
| | TOTAL | 1,50,000 |

(vii.) Bonus Issue of 6,00,000 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|----------------------------|------------------------|
| 1) | Mr. Atul Mehra | 59,160 |
| 2) | Mr. Prem Nandan Mehra | 600 |
| 3) | Mrs. Sonia Mehra | 5,40,000 |
| 4) | Mr. Narendra Shankar Sathe | 60 |
| 5) | Mr. Shubhada N Sathe | 60 |
| 6) | Mrs. Bharti Garg | 60 |
| 7) | Mr. Anubhav Garg | 60 |
| | TOTAL | 6,00,000 |

(viii.) Bonus Issue of 6,00,000 Equity Shares:

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|--------------------|------------------------|
|---------|--------------------|------------------------|

| Sr. No. | Name of the Person | No. of Shares Allotted |
|---------|----------------------------|------------------------|
| 1) | Mr. Atul Mehra | 59,160 |
| 2) | Mr. Prem Nandan Mehra | 600 |
| 3) | Mrs. Sonia Mehra | 5,40,000 |
| 4) | Mr. Arpit Mehra | 60 |
| 5) | Mrs. Devika Mehra | 60 |
| 6) | Mr. Narendra Shankar Sathe | 60 |
| 7) | Mr. Shubhada N Sathe | 60 |
| | TOTAL | 6,00,000 |

2) Issue of Equity Shares for Consideration other than Cash

| Sr. No. | Date of Allotment | No of Equity Shares | Face Value (₹) | Issue Price (₹) | Consideration | Nature of Allotment | Benefits accrued to our Company |
|---------|--------------------|---------------------|----------------|-----------------|-----------------|---------------------|---------------------------------|
| 1.) | February 28, 2007 | 1,40,000 | 100 | N.A. | Other than Cash | Bonus Issue | Nil |
| 2.) | March 25, 2010 | 1,50,000 | 100 | N.A. | Other than Cash | Bonus Issue | Nil |
| 3.) | November 20, 2012 | 6,00,000 | 100 | N.A. | Other than Cash | Bonus Issue | Nil |
| 4.) | September 28, 2017 | 6,00,000 | 100 | N.A. | Other than Cash | Bonus Issue | Nil |

3) We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 and or Sections 230-233 of the Companies Act, 2013.

4) We have not issued any equity shares in last one year at price below the Issue Price immediately from the date of filing of this Prospectus.

5) Capital built-up of our Promoters:

| <i>Mr. Atul Mehra</i> | | | | | | | |
|-----------------------|-----------------|---|----------------------|------------|--------------------------|---------------------------------------|--|
| Date of Allotment | Consideration | Nature of the issue | No. of equity shares | Face Value | Issue/ acquisition Price | % of Pre-Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| Inception | Cash | Subscriber to Memorandum | 10 | 100 | 100 | Negligible | Negligible |
| May 27, 1996 | Cash | Allotment | 980 | 100 | 100 | 0.01% | Negligible |
| August 01, 2001 | Cash | Transfer to Vidya Devi Trust | (1) | 100 | 100 | Negligible | Negligible |
| April 01, 2004 | Cash | Transfer of Share to Narendra Shankar Sathe | (1) | 100 | 100 | Negligible | Negligible |
| April 01, 2004 | Cash | Transfer to Shubhada N Sathe | (1) | 100 | 100 | Negligible | Negligible |
| April 01, 2004 | Cash | Transfer to Bharti Garg | (1) | 100 | 100 | Negligible | Negligible |
| February 28, 2007 | Other than Cash | Bonus Issue in the ratio of 14:1 | 13,804 | 100 | 100 | 0.09% | 0.07% |
| March 25, 2010 | Other than Cash | Bonus Issue in the ratio of 1:1 | 14,790 | 100 | 100 | 0.10% | 0.07% |

| | | | | | | | |
|--|-----------------|---------------------------------|------------------|-----|-----|--------------|--------------|
| November 20, 2012 | Other than Cash | Bonus Issue in the ratio of 2:1 | 59,160 | 100 | 100 | 0.39% | 0.29% |
| September 28, 2017 | Other than Cash | Bonus Issue in the ratio of 2:3 | 59,160 | 100 | 100 | 0.39% | 0.29% |
| <i>Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i> | | | | | | | |
| | | Total | 14,79,000 | | | 9.86% | 7.24% |

| <i>Mrs. Sonia Mehra</i> | | | | | | | |
|--|-----------------|----------------------------------|----------------------|------------|--------------------------|---------------------------------------|--|
| Date of Allotment | Consideration | Nature of the issue | No. of equity shares | Face Value | Issue/ acquisition Price | % of Pre-Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| May 27, 1996 | Cash | Allotment | 1,000 | 100 | 100 | 0.01% | Negligible |
| April 10, 2004 | Cash | Allotment | 3,000 | 100 | 100 | 0.02% | 0.01% |
| February 26, 2007 | Cash | Rights Issue in the ratio of 1:1 | 5,000 | 100 | 100 | 0.03% | 0.02% |
| February 28, 2007 | Other than Cash | Bonus Issue in the ratio of 14:1 | 1,26,000 | 100 | 100 | 0.84% | 0.62% |
| March 25, 2010 | Other than Cash | Bonus Issue in the ratio of 1:1 | 1,35,000 | 100 | 100 | 0.90% | 0.66% |
| November 20, 2012 | Other than Cash | Bonus Issue in the ratio of 2:1 | 5,40,000 | 100 | 100 | 3.60% | 2.64% |
| September 28, 2017 | Other than Cash | Bonus Issue in the ratio of 2:1 | 5,40,000 | 100 | 100 | 3.60% | 2.64% |
| <i>Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i> | | | | | | | |
| | | Total | 1,35,00,000 | | | 90.00% | 66.08% |

| <i>Mr. Prem Nandan Mehra</i> | | | | | | | |
|--|-----------------|----------------------------------|----------------------|------------|-------------------------------|---------------------------------------|--|
| Date of Allotment | Consideration | Nature of the issue | No. of equity shares | Face Value | Issue/ Acquisition/Sale Price | % of Pre-Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| Inception | Cash | Subscriber to Memorandum | 10 | 100 | 100 | Negligible | Negligible |
| February 28, 2007 | Other than Cash | Bonus Issue in the ratio of 14:1 | 140 | 100 | - | Negligible | Negligible |
| March 25, 2010 | Other than Cash | Bonus Issue in the ratio of 1:1 | 150 | 100 | - | Negligible | Negligible |
| November 20, 2012 | Other than Cash | Bonus Issue in the ratio of 2:1 | 600 | 100 | - | Negligible | Negligible |
| September 28, 2017 | Other than Cash | Bonus Issue in the ratio of 2:3 | 600 | 100 | - | Negligible | Negligible |
| <i>Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i> | | | | | | | |
| | | Total | 15,000 | 10 | | 0.10% | 0.07% |

6) Details of Promoter's Contribution locked in for three years:

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

Our Promoter(s) Mr. Prem Nandan Mehra, Mr. Atul Mehra and Mrs. Sonia Mehra have granted their consent to include such number of Equity Shares held by them as may constitute 20% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this prospectus until the completion of the lock-in period specified above. The details of such equity shares are as under:

| <i>Mr. Atul Mehra</i> | | | | | | |
|--|-----------------|---|----------------------|-------------|--|--|
| Date of allotment | Face Value | Nature of the issue | No. of equity shares | Issue Price | % of Pre- Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| Inception | Cash | Subscriber to Memorandum | 10 | 100 | Negligible | Negligible |
| May 27, 1996 | Cash | Allotment | 980 | 100 | 0.01% | Negligible |
| August 01, 2001 | Cash | Transfer to Vidya Devi Trust | (1) | 100 | Negligible | Negligible |
| April 01, 2004 | Cash | Transfer of Share to Narendra Shankar Sathe | (1) | 100 | Negligible | Negligible |
| April 01, 2004 | Cash | Transfer to Shubhada N Sathe | (1) | 100 | Negligible | Negligible |
| April 01, 2004 | Cash | Transfer to Bharti Garg | (1) | 100 | Negligible | Negligible |
| February 28, 2007 | Other than Cash | Bonus Issue in the ratio of 14:1 | 13,804 | 100 | 0.09% | 0.07% |
| March 25, 2010 | Other than Cash | Bonus Issue in the ratio of 1:1 | 14,790 | 100 | 0.10% | 0.07% |
| November 20, 2012 | Other than Cash | Bonus Issue in the ratio of 2:1 | 59,160 | 100 | 0.39% | 0.29% |
| September 28, 2017 | Other than Cash | Bonus Issue in the ratio of 2:3 | 59,160 | 100 | 0.39% | 0.29% |
| <i>Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i> | | | | | | |
| Total(A) | | | 14,79,000 | | 9.86% | 7.24% |
| <i>Mrs. Sonia Mehra</i> | | | | | | |
| September 28, 2017 | Other than Cash | Bonus Issue in the ratio of 2:1 | 26,06,000 | 100 | 3.60% | 2.64% |
| <i>Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i> | | | | | | |
| Total(B) | | | 26,06,000 | 100 | 17.37% | 12.76% |
| <i>Mr. Prem Nandan Mehra</i> | | | | | | |
| Date of allotment | Face Value | Nature of the issue | No. of equity shares | Issue Price | % of Pre- Issue Paid up Equity capital | % of Post Issue Paid up Equity capital |
| Inception | 100 | Subscriber to Memorandum | 10 | 100 | Negligible | Negligible |
| February 28, 2007 | 100 | Bonus Issue in the ratio of 14:1 | 140 | - | Negligible | Negligible |

| | | | | | | |
|--|-----|---------------------------------|------------------|---|---------------|---------------|
| March 25, 2010 | 100 | Bonus Issue in the ratio of 1:1 | 150 | - | Negligible | Negligible |
| November 20, 2012 | 100 | Bonus Issue in the ratio of 2:1 | 600 | - | Negligible | Negligible |
| September 28, 2017 | 100 | Bonus Issue in the ratio of 2:3 | 600 | - | Negligible | Negligible |
| <i>Pursuant to an AGM dated September 30, 2017, Equity Shares of ₹100 each is sub-divided in Equity Shares of ₹10 each</i> | | | | | | |
| Total (C) | | | 15,000 | | 0.10% | 0.07% |
| Total (A)+(B)+(C) | | | 41,00,000 | | 27.33% | 20.07% |

We further confirm that the aforesaid minimum Promoter's Contribution of 20.07% which is subject to lock-in for three years does not consist of:

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

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

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

7) Details of share capital locked in for one year:

In addition to minimum 20.07% of the Post-Issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

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

Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the

business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchange.

8) Shareholding pattern of our company:

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

| Category (I) | Category of shareholder (II) | Nos. of Shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly Paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. Shares held (VII) = (IV) + (V) + (VI) | Shareholding as a % of total No of Shares (calculate as per SCRR, 1957) As a % of (A+B+C2) (VIII) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C) (IX) | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2) (XI) = (VII) + (X) | Number of Locked in Shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|--------------|--------------------------------|----------------------------|--|--|---|--|---|--|-------------------|--------------------|-------------------------------|--|--|----------------------------------|---------------------------------|---|---------------------------------|---|
| | | | | | | | | No of Voting Rights | | | Total (XIV) as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares Held (b) | |
| | | | | | | | | Class: Equity | Class: preference | Total | | | | | | | | |
| (A) | Promoter | 3 | 1,49,94,000 | - | - | 1,49,94,000 | 99.96% | 1,49,94,000 | - | 1,49,94,000 | 99.96% | - | 99.96% | - | - | - | - | - |
| (B) | Promoter Group | 2 | 3,000 | - | - | 3,000 | 0.02% | 3,000 | - | 3,000 | 0.02% | - | 0.02% | - | - | - | - | - |
| (B) | Public | 2 | 3,000 | - | - | 3,000 | 0.02% | 3,000 | - | 3,000 | 0.02% | - | 0.02% | - | - | - | - | - |
| (D) | Non-Promoter/ Non-Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (D1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (D2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 7 | 1,50,00,000 | - | - | 1,50,00,000 | 100.00% | 1,50,00,000 | - | 1,50,00,000 | 100.00% | - | 100.00% | - | - | - | - | - |

Notes:

- The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of our Equity Shares.
- There are no Equity Shares against which depository receipts have been issued.
- Other than the Equity Shares, there is no other class of securities issued by our Company.

B. Shareholding Pattern of Promoters and Promoter Group:

| Sr. No. | Name of the Shareholder | Pre-Issue | | Post-Issue | | Shares pledged or otherwise encumbered | | |
|---------|-------------------------|----------------------|--------------------------------|----------------------|--------------------------------|--|------------|--|
| | | No. of Equity Shares | As a % of Issued Share Capital | No. of equity shares | As a % of Issued Share Capital | Number | As a % | As a % of grand total (a)+(b)+ (c) of Sub- clause (i)(a) |
| | Promoters: | | | | | | | |
| 1) | Sonia Mehra | 1,35,00,000 | 90.00% | 1,35,00,000 | 66.08% | Nil | Nil | N.A. |
| 2) | Atul Mehra | 14,79,000 | 9.86% | 14,79,000 | 7.24% | Nil | Nil | N.A. |
| 3) | Prem Nandan Mehra | 15,000 | 0.10% | 15,000 | 0.07% | Nil | Nil | N.A. |
| | Promoter Group: | | | | | | | |
| 4) | Arpit Mehra | 1,500 | 0.01% | 1,500 | 0.01% | Nil | Nil | N.A. |
| 5) | Devika Mehra | 1,500 | 0.01% | 1,500 | 0.01% | Nil | Nil | N.A. |
| | Total | 1,49,97,000 | 99.98% | 1,49,97,000 | 73.41% | Nil | Nil | N.A. |

C. Shareholding Pattern of the persons belonging to the category “Public”:

| Sr. No. | Name of the Shareholder | Pre-Issue | | Post-Issue | | Shares pledged or otherwise encumbered | | |
|---------|-------------------------|----------------------|--------------------------------|----------------------|--------------------------------|--|------------|--|
| | | No. of Equity Shares | As a % of Issued Share Capital | No. of equity shares | As a % of Issued Share Capital | Number | As a % | As a % of grand total (a)+(b)+ (c) of Sub- clause (i)(a) |
| 1) | Narendra Shankar Sathe | 1,500 | 0.01% | 1,500 | Negligible | Nil | Nil | N.A. |
| 2) | Shubhada N Sathe | 1,500 | 0.01% | 1,500 | Negligible | Nil | Nil | N.A. |
| | Total | 3,000 | 0.02% | 3,000 | Negligible | Nil | Nil | N.A. |

D. There has been neither subscription nor sale/purchase of the securities of our Company within 3 years preceding the date of filing of this prospectus by our promoters or directors or promoter group which in aggregate equals to or is greater than 1% of the pre-issue share capital of our company.

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

| Sr. No. | Name of the Promoters | No of Shares held | Average cost of Acquisition (in ₹) |
|---------|-----------------------|-------------------|------------------------------------|
| 1) | Mrs. Sonia Mehra | 1,35,00,000 | 0.067 |
| 2) | Mr. Atul Mehra | 14,79,000 | 0.067 |
| 3) | Mr. Prem Nandan Mehra | 15,000 | 0.067 |

10) None of our directors or Key Managerial Personnel hold equity shares in our company, other than as stated above.

11) Equity Shares held by top ten shareholders

A. Our Company has only Seven Shareholders and the number of Equity Shares held by them as on date of this Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|---------------------|---------------|----------------------------|
| 1) | Sonia Mehra | 1,35,00,000 | 90.00% |
| 2) | Atul Mehra | 14,79,000 | 9.86% |
| 3) | Prem Nandan Mehra | 15,000 | 0.10% |
| 4) | Arpit Mehra | 1,500 | 0.01% |
| 5) | Devika Mehra | 1,500 | 0.01% |

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|------------------------|--------------------|----------------------------|
| 6) | Narendra Shankar Sathe | 1,500 | 0.01% |
| 7) | Shubhada N Sathe | 1,500 | 0.01% |
| | TOTAL | 1,50,00,000 | 100.00% |

B. Our Company has only Seven Shareholders and the number of Equity Shares held by them as on Ten days prior to this Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|------------------------|--------------------|----------------------------|
| 1) | Sonia Mehra | 1,35,00,000 | 90.00% |
| 2) | Atul Mehra | 14,79,000 | 9.86% |
| 3) | Prem Nandan Mehra | 15,000 | 0.10% |
| 4) | Arpit Mehra | 1,500 | 0.01% |
| 5) | Devika Mehra | 1,500 | 0.01% |
| 6) | Narendra Shankar Sathe | 1,500 | 0.01% |
| 7) | Shubhada N Sathe | 1,500 | 0.01% |
| | TOTAL | 1,50,00,000 | 100.00% |

C. Our Company has only Seven Shareholders and the number of Equity Shares held by them as on Two years prior to this Prospectus are as under:

| Sr. No. | Name of shareholder | No. of Shares | % age of pre-Issue capital |
|---------|------------------------|-----------------|----------------------------|
| 1) | Sonia Mehra | 8,10,000 | 90.00% |
| 2) | Atul Mehra | 88,740 | 9.86% |
| 3) | Prem Nandan Mehra | 900 | 0.10% |
| 4) | Arpit Mehra | 90 | 0.01% |
| 5) | Devika Mehra | 90 | 0.01% |
| 6) | Narendra Shankar Sathe | 90 | 0.01% |
| 7) | Shubhada N Sathe | 90 | 0.01% |
| | TOTAL | 9,00,000 | 100.00% |

Note: The above mentioned Equity Shares are at Face Value of ₹100/-.

- 12) There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
- 13) The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
- 14) As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
- 15) We have not raised any bridge loans against the proceeds of the Issue.
- 16) Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" beginning on page no 221 of this Prospectus
- 17) The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
- 18) Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Prospectus.
- 19) In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.

- 20) Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and the designated stock exchange.
- 21) An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
- 22) The Issue is being made through Fixed Price Method.
- 23) As on date of filing of this Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
- 24) On the date of filing of this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
- 25) Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
- 26) Lead Manager to the Issue viz. Mark Corporate Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
- 27) Our Company has not revalued its assets since incorporation.
- 28) Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
- 29) There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
- 30) Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
- 31) There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
- 32) Except as disclosed in this Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
- 33) Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
- 34) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

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

36) Our Company has seven (7) Shareholders as on the date of filing of this Prospectus.

OBJECTS OF THE ISSUE

The objects of the Issue are to finance our business expansion plans and achieve the benefits of listing on the SME platform of BSE Limited. We believe that listing will enhance our corporate image and brand name of our Company.

The objects of the Issue are as stated below:

- 1.) To meet Working Capital Requirements
- 2.) General Corporate Purposes
- 3.) To meet the Issue Expenses

We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main objects clause of our Memorandum of Association permits us to undertake our existing activities and the activities for which the funds are being raised by us, through the present Issue. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The details of the proceeds of the Issue are summarized in the table below:

Requirements of Funds:

The Funds required are proposed to be used in accordance with the details provided in the following table:

(₹ in Lakhs)

| Sr. No. | Particulars | Amount |
|---------|--------------------------------------|----------------|
| 1) | To meet Working Capital requirements | 2750.00 |
| 2) | To meet General Corporate Purposes | 50.00 |
| | Total Funds Required | 2800.00 |

Means of Finance:

The above mentioned fund requirement are to be financed as shown below:

(₹ in Lakhs)

| Sr. No. | Particulars | Amount |
|---------|------------------------------------|----------------|
| 1) | Gross Proceeds from the Issue | 2443.50 |
| | Less: Issue Expenses | 143.50 |
| | Net Proceeds from the Issue | 2300.00 |
| 2) | Internal Accruals | 500.00 |
| | Total Funds available | 2800.00 |

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

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Prospectus.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled 'Risk Factors' beginning on page no 14 of the Prospectus.

Details of Utilization of Gross Proceeds from the Issue:

The details of utilization of the Net Proceeds are set forth herein below:

1.) To meet the Working Capital Requirements:

| Sr. No. | Particulars | As on March 31, | | |
|-----------|---|-------------------|-------------------|----------------|
| | | 2016 | 2017 | 2018 |
| | | Actual (Restated) | Actual (Restated) | Estimated |
| A. | Current Assets | | | |
| | Trade Receivables | 794.53 | 1822.86 | 1950.00 |
| | Inventories | 4086.28 | 4292.54 | 5312.00 |
| | Short Term Loans and Advances | 1207.72 | 604.37 | 1036.00 |
| | Other Current Assets | 41.55 | 52.73 | 11.00 |
| | Cash and cash equivalents | 92.27 | 137.29 | 250.42 |
| | Total (A) | 6221.85 | 6909.79 | 8559.42 |
| B. | Current Liabilities | | | |
| | Trade Payables | 185.85 | 630.09 | 170.00 |
| | Short Term Borrowings | 3,654.11 | 4129.73 | 2700.00 |
| | Other Current Liabilities and Short Term Provisions | 546.24 | 395.84 | 1185.95 |
| | Total (B) | 4386.20 | 5155.66 | 4055.95 |
| C. | Net Working Capital (A)-(B) | 1835.65 | 1754.13 | 4503.47 |
| D. | Working Capital Gap | | | 2749.34 |
| | Rounded Off | | | 2750.00 |

Basis of Estimation:

| Sr. No. | Particulars | Remark |
|---------|------------------|--|
| 1) | Debtors | We expect Debtors Holding days to be at 25 days for FY 2018 based on increased sales of services and better credit Management policies ensuring timely recovery of dues. |
| 2) | Creditors | We expect Creditors payments days to be 2.5 days due to reduction in credit period. |

2.) General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹50.00 Lakhs towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include meeting exigencies faced, and expenses incurred, by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilizing surplus amounts, if any

3.) Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹143.50 Lakhs. The Issue expenses consist of underwriting fees, selling commission, fees payable to the Lead Managers, legal counsels, Bankers to the Issue including processing fee to the SCSBs for processing ASBA Application Forms procured by the Syndicate Members and submitted to the SCSBs and Registrar to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The break-up for the Issue expenses is as follows:

| Activity | Estimated Expenses (₹ in Lakhs) | As a % of the total estimated Issue expenses | As a % of the total Issue size |
|--|------------------------------------|---|-----------------------------------|
| Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Legal Advisors, Registrars, Bankers, etc. | 78.50 | 54.70% | 3.21% |
| Regulatory Fees | 5.00 | 3.49% | 0.20% |
| Marketing and Other Expenses | 60.00 | 41.81% | 2.45% |
| Total Estimated Issue Expenses | 143.50 | 100% | 5.86% |

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

Our fund requirements and deployment thereof are based on the estimates of our management. These are based on current circumstances of our business and are subject to change in light of changes in external circumstances or costs or in our financial condition, business or strategy. Our management, in response to the dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Proceeds. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, debt or equity financing. Our management expects that such alternate arrangements would be available to fund any such shortfall.

Proposed Schedule of Implementation:

(₹ in Lakhs)

| Sr. No. | Particulars | Schedule Of Utilization | | | |
|--------------------|--------------------------------------|-------------------------|-----------------|--------------|-----------------|
| | | Already incurred | FY 2018 | FY 2019 | Total |
| 1.) | To meet Working Capital requirements | - | 2,750.00 | - | 2,750.00 |
| 2.) | General Corporate Purposes | - | - | 50.00 | 50.00 |
| Gross Total | | - | 2,750.00 | 50.00 | 2,800.00 |

Details of funds already Deployed till date and Sources of Funds deployed

The Funds deployed upto January 03, 2018 is ₹24.74 Lacs pursuant to the objects of this Issue as certified by the auditor of the Company, M/s Atul Garg & Associates, Chartered Accountants vide certificate dated January 03, 2018. The said amount has been met by the Company and the same will be adjusted against the issue proceeds

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, 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. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Monitoring Utilization of Funds

As the Net Proceeds of the Issue will be less than ₹10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

Bridge Financing Facilities

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

Monitoring of Utilisation of Funds

Since the proceeds from the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 16 of the SEBI (ICDR) Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board will monitor the utilisation of the proceeds of the Issue. The Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 38 of SEBI (LODR) Regulations, our Company shall on a half-yearly basis disclose to the Audit Committee of the Board of Directors the uses and applications of the Issue Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors. Such disclosure shall be made only until such time that all the Issue Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 38 of SEBI (LODR) Regulations, our Company shall furnish to the Stock Exchanges on a half-yearly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

Appraising Entity

None of the objects of the Issue for which the Net Proceeds will be utilized have been appraised.

Other Confirmations

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel.

BASIC TERMS OF THE ISSUE

The Equity Shares, now being issued, are subject to the terms and conditions of this Prospectus, Application form, Confirmation of Allocation Note (CAN), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, Stock Exchange, RBI, ROC and/or other authorities as in force on the date of the Issue and to the extent applicable. In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that maybe executed in respect of the Equity Shares. This Issue has been authorized by the Board of Directors pursuant to a Board Resolution dated November 10, 2017 and by the Shareholders of our Company pursuant to a special resolution dated December 09, 2017 passed at the EGM of Shareholders under Section 62 (1)(c) of the Companies Act, 2013.

| | | |
|-------------------------------------|---|---|
| Face Value | : | Equity Share shall have the face value of ₹10.00 each |
| Issue Price | : | Equity Share is being issued at a price of ₹45 each and is at 4.5 times of Face Value |
| Market Lot & Trading Lot | : | The Market lot and Trading lot for the Equity Share is 3000 and the multiple of 3000, subject to a minimum allotment of 3000 Equity Shares to the successful applicants. |
| Terms of Payment | : | 100% of the issue price of ₹45 each shall be payable on Application. For more details please refer " <i>Issue Procedure</i> " on page no 208 of this Prospectus |
| Ranking of the Equity Shares | : | The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company. The Allotees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see " <i>Main Provisions of Articles of Association</i> " on 247 of this Prospectus |

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 Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond prescribed time after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

For further details, please refer to section titled "*Terms of the Issue*" beginning on page no 200 of this Prospectus.

BASIS FOR ISSUE PRICE

The Issue Price of ₹45 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors as described below. The face value of the Equity Share is ₹10 and Issue Price is ₹45 per Equity Share i.e. 4.5 times of the face value.

Qualitative Factors

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

- 1) Track Record of the Company
- 2) Stringent quality control
- 3) Leveraging the experience of our Promoter
- 4) Experienced management team and a motivated and efficient work force
- 5) Scalable Business Model

For further details, refer sections entitled “Risk Factors”, “Our Business”, and “Financial Statements” on page no’s 14, 78 and 132, respectively, to make an informed investment decision.

Quantitative Factors

The information presented below relating to the Company is based on the Restated Financial Statements of the Company for Financial Year 2016-17, 2015-16 & 2014-15 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1) Basic and Diluted Earnings per Share (EPS):

| Year Ended | EPS (₹)* | EPS (adjusted for Bonus Shares)** | Weight |
|--|-------------|-----------------------------------|----------|
| March 31, 2015 | 4.94 | 2.99 | 1 |
| March 31, 2016 | 5.13 | 3.08 | 2 |
| March 31, 2017 | 5.02 | 3.01 | 3 |
| Weighted Average | 2.51 | 1.51 | 6 |
| For period ended September 30, 2017 | 1.62 | | |

* The Face Value of the Equity Shares ₹100. However, for comparison purposes, the same has been considered as face value of ₹10 per Equity Share.

** After giving effect of Bonus Shares issued in the ratio of 1:2 on September 25, 2017.

Note:

(i) For Six (6) months period ended September 30, 2017 the Basic & Diluted EPS (not annualized) was ₹1.62.

(ii) Basic EPS (₹) has been calculated by dividing the Net Profit as restated by Restated Weighted Average number of Equity Shares outstanding during the year.

(iii) Diluted EPS (₹) has been calculated by dividing the Net Profit as restated by Restated Weighted Average number of Equity Shares outstanding at the end of the year.

(iv) The face value of each Equity Share is ₹10.

2) Price to Earnings (P/E) ratio in relation to Issue Price of ₹45 per Equity Share of face value of ₹10 each:

| Particulars | P/E Ratio |
|--|-----------|
| Based on Basic & Diluted EPS, as restated for FY 2016-17 | 8.96 |
| Industry P/E* | |
| Highest | 275.50 |
| Lowest | 3.30 |
| Industry Average | 40.06 |

* Source: Capital Market (Magazine), Issue: Dec 18-Dec 31, 2017, Volume: XXXII/22; Segment Food-Processing-Indian:

3) Return on Net worth (RoNW) for the preceding three years as per restated financial statements:

| Year Ended | RoNW (%) | Weight |
|----------------|----------|--------|
| March 31, 2015 | 17.60 | 1 |

| Year Ended | RoNW (%) | Weight |
|-------------------------|-------------|----------|
| March 31, 2016 | 15.44 | 2 |
| March 31, 2017 | 13.12 | 3 |
| Weighted Average | 6.56 | 6 |

Note:

(i) For Six (6) months period ended September 30, 2017 the RoNW (not annualized) was 6.61%.

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

- 4) Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017 is 16.74%

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

| Particulars | Amount (₹) |
|---|------------|
| Net Asset Value per Equity Share as of March 31, 2017 | 38.24* |
| Net Asset Value per Equity Share after giving effect of Bonus issue of Shares | 24.57 |
| Net Asset Value per Equity Share after the Issue | 30.00 |
| Issue Price per equity share | 45.00 |

* The Face Value of the Equity Shares ₹100. However, the same has been considered as face value of ₹10 per Equity Share.

Note:

(i) The Face Value of the Equity Shares ₹10.

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

6) **Comparison with other listed companies/Industry peers:**

| Companies | Face Value (₹) | NAV (₹) | RoNW (%) | EPS (₹) (as on March 31, 2017) | P/E Ratio |
|-------------------------------|----------------|---------|----------|--------------------------------|-----------|
| Tasty Dairy Specialities Ltd. | 10 | 38.24 | 13.12% | 5.02 | 8.96 |
| <i>Peer Group:</i> | | | | | |
| Prabhat Dairy Ltd. | 10 | 70.46 | 6.82% | 2.80 | 76.61 |
| Hatsun Agro Product Ltd. | 1 | 22.81 | 38.60% | 8.60 | 96.50 |
| Kwality Ltd. | 1 | 47.07 | 17.38% | 6.90 | 16.14 |

(Source: Audited Financial Results for the year ending March 31, 2017 as available on www.bseindia.com and for calculating P/E ratio and Market Price as on January 02, 2018 is considered)

Note:

(i) The figures of Our Company are based on the restated results for the FY ended March 31, 2017.

(ii) The figures for the Peer group are based on Standalone Audited Results for the FY ended March 31, 2017.

- 7) The Company in consultation with the Lead Manager believes that the issue price of ₹45 per Equity Share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the “Risk Factors” beginning on page no. 14 of this Prospectus and Financials of the company as set out in the “Financial Statements” beginning on page no 132 of this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is ₹10 per Equity Share and the Issue Price is 4.5 times of the face value i.e. ₹45 per Equity Share.

STATEMENT OF TAX BENEFITS

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

To,

Board of Directors

Tasty Dairy Specialities Limited

D-3, UPSIDC Industrial Area,

Jainpur, Kanpur Dehat-209 311,

Uttar Pradesh

Dear Sir,

Sub: Statement of possible tax benefits ('the Statement') available to Tasty Dairy Specialities Limited ('the Company') and its shareholders prepared in accordance with the requirement in SCHEDULE VIII-CLAUSE (VII) (L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulation')

We hereby report that the enclosed annexure prepared by the Company, states the possible special Tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('Act'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, 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 proposed initial public offering of equity shares ("the Offer") by the Company.

We do not express any opinion or provide any assurance as to whether: a) The Company or its Equity Shareholders will continue to obtain these benefits in future; or b) 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. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its Offer, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Prospectus/ Prospectus or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Atul Garg & Associates

Chartered Accountants

F.R.N. 01544C

Atul Garg

Partner

M. No. 070757

Date: December 23, 2017

Place: Kanpur

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO TASTY DAIRY SPECIALITIES LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

I. SPECIAL TAX BENEFITS

A) SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

i) As per sub-section 11A of section 80-IB, a deduction in a case of an undertaking deriving profit from the business of dairy products shall be hundred per cent of the profits and gains derived from such undertaking for five assessment years beginning with the initial assessment year and thereafter, thirty per cent where the assessee is a company, of the profits and gains derived from the operation of such business in a manner that the total period of deduction does not exceed ten consecutive assessment years.

The existing unit of company is availing the benefit of deduction under sub-section 11A of section 80-IB and 30% deduction is available on taxable profit upto Asst. Year 2019-2020.

As company is engaged in business of processing, preservation and packing of dairy products, if it set up new undertaking the profits and gains derived from the operation of such undertaking will be eligible for deduction under this section for ten consecutive assessment years.

B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

There are no special tax benefits available to the shareholders of the Company.

Notes:

- 1) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the Assessment Year 2018-19. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.
- 2) In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme

SECTION IV - ABOUT OUR COMPANY

OUR INDUSTRY

The information contained in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Prospectus, including the information in the sections "Risk Factors" and "Financial Information" on pages 14 and 132, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 14.

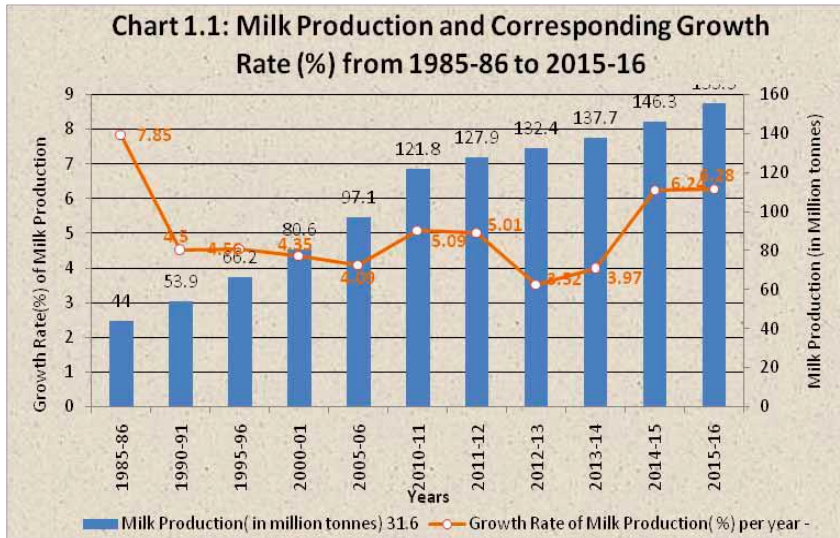
Overview of Indian economy

Dairy activities have traditionally been integral to India's rural economy. The country is one of the largest producer of dairy products in the world and almost entire production is consumed by the nation. Despite being the world's largest producer, the dairy sector is by and large in the primitive stage of development and modernization. On the demand side, the situation is buoyant. With the sustained growth of the Indian economy and a consequent rise in the purchasing power during the last two decades, more and more people today are able to afford milk and value added dairy products. This trend is expected to continue with the sector experiencing a robust growth in demand in the short and medium run. If the impediments in the way of growth and development are left unaddressed, India is likely to face a serious supply - demand mismatch and it may gradually turn into a substantial importer of milk and milk products.

The Indian economy expanded 6.3 percent year-on-year in the third quarter of 2017, above a 5.7 percent in the previous quarter which was the lowest in near three years, but below market expectations of a 6.4 percent. Investment and inventories growth rebounded, offsetting a slowdown in both private and public spending. GDP Annual Growth Rate in India averaged 6.12 percent from 1951 until 2017, reaching an all-time high of 11.40 percent in the first quarter of 2010 and a record low of -5.20 percent in the fourth quarter of 1979.

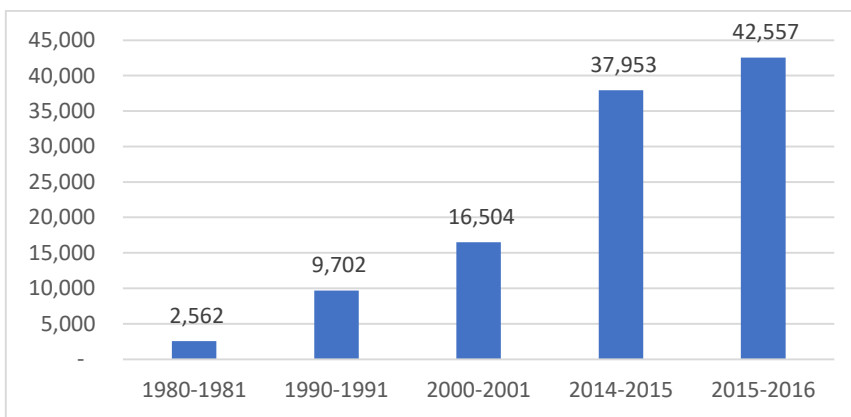
Milk Production

India continues to be the largest producer of milk in world. Several measures have been initiated by the Government to increase the productivity of livestock, which has resulted in increasing the milk production significantly from the level of 102.6 million tonnes at the end of the Tenth Plan (2006-07) to 127.9 million tonnes at the end of the Eleventh Plan (2011-12). Milk production during 2014-15 and 2015-16 is 146.3 million tonnes and 155.5 million tonnes respectively showing an annual growth of 6.27% per capita availability of milk is around 337 grams per day in 2015-16 production of milk and corresponding growth rate (%) per year from 1985-86 to 2015-16 is shown in chart



Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

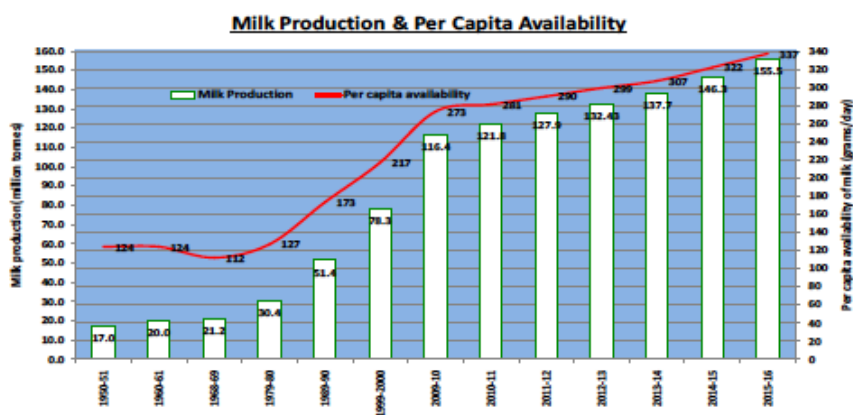
Milk Procurement (in thousands kilograms per day)



Source: http://www.nddb.org/sites/default/files/NDDDB_AR_2015-16Eng.pdf

Dairy Development

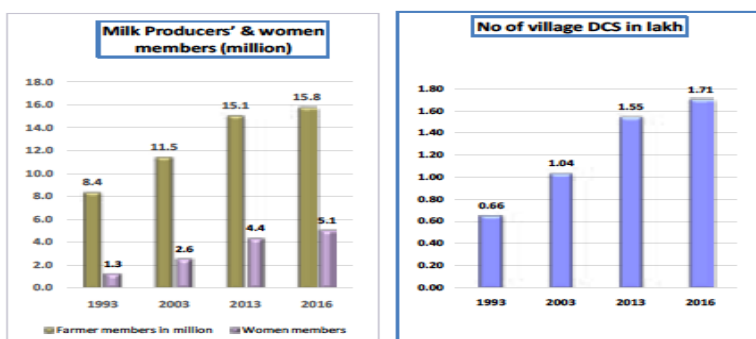
The Dairy sector in India has grown substantially over the years. As a result of prudent policy intervention, India ranks first among the world's milk producing nations, achieving an annual output of 155.49 million tonnes during the year 2015-16 as compared to 146.31 million tonnes during 2014-15 recording a growth rate of 6.27 %. FAO reported 1.8% increase in world milk production from 789 million tonnes in 2014 to 803 million tonnes in 2015. This represents a sustained growth in the availability of milk and milk products for growing population.



Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

Dairying has become an important secondary source of income for millions of rural families and has assumed the most important role in providing employment and income generating opportunities particularly for women and marginal farmers. The per capita availability of milk has reached a level of 337 grams per day during the year 2015-16, which is more than the world average of 299 grams per day in 2015. Most of the milk in the Country is produced by small, marginal farmers and landless laborers. 198 dairy cooperative milk unions have covered about 15.83 million farmers under the ambit of 1,70,992 village level dairy cooperative societies have procured an average of 42.55 million kgs per day of milk during the year 2015-16 as compared to 38 million kgs per day in the previous year recording a growth of 12%. The sale of liquid milk by the Cooperative Dairies has reached 32 million liters per day during the year 2015-16 as compared to 31.24 million liters per day registering a growth of 2.7% over the previous year up to March 2016. The Cooperative Milk Unions

Dairying in India : Cooperatives



Source: NDDB annual Report

Source: <http://dahd.nic.in/sites/default/files/Annual%20Report%202016-17.pdf>

The International Dairy

Since early 2014, international prices for milk and dairy products have been declining continuously. The farm gate price of liquid milk has dropped by almost 50 per cent from a peak of NZ\$ 646 per tonne in April 2014 to NZ\$ 354 per tonne in April 2015 and further to NZ\$ 335 a tonne by March 2016 in New Zealand. A similar trend has also been observed in other major dairy exporting countries.

The average price Free-on-Board (FOB) New Zealand of Skimmed Milk Powder dropped by almost 40 per cent from a peak of US\$ 4,988 per tonne in April 2014 to US\$ 2,894 per tonne in April 2015 and further to US\$ 1,750 a tonne by March 2016. According to the international market report, the world dairy trade of major dairy products other than

Skimmed Milk Powder declined on account of reduced imports by China and the Russian Federation. The surplus liquid milk was channelled into Skimmed Milk Powder and butter production instead of whole milk powder and cheese. An un-conducive world dairy market discouraged the farmers to raise milk production through herd expansion or feeding supplements and the production is estimated to grow by 1.8 per cent from 789 million tonnes in 2014 to 803 million tonnes in 2015.

Source: http://www.nddb.org/sites/default/files/NDDB_AR_2015-16Eng.pdf

Structure of the Indian Dairy Industry

The Indian dairy industry is divided into the organized and unorganized segments. As per the Annual Report for FY 17 of Dept. of Animal Husbandry, Dairying & Fisheries, Government of India, co-operatives & private dairies still procure only about 20% of the milk produced in the country, while 34% is sold in the unorganized market and about 46% is consumed locally. However, in most of the developed nations, 90% of the surplus milk is processed through organized sector



As per the Department of Animal Husbandry, Dairying and Fisheries, the organized milk handling is expected to grow from 20% at present to 50% by 2022-23.

Indian Dairy Industry rests on four pillars

The dairy industry in India is broadly built on the four pillars, namely, Rising Demand for milk, Milk Output, Enormous Employment, and Prices.

RISING DEMAND FOR MILK
 Demand had been growing because of increasing population on one hand, and increasing prosperity on the other, which made people focus more on nutritional intake. Milk remained one of the primary sources of nutrition in India.

MILK OUTPUT
 The Indian agriculture and dairy sector is the veritable life-line of the country's rural economy, and also a key pillar of our nutrition security. With our milk production accounting for 18.5% of the total global milk output, milk holds about 25 % of the total economic value of the total agriculture output in India.

ENORMOUS EMPLOYMENT
 The backyard cattle rearing model provided in India which in turns provide livelihood to countless millions. 70 to 75 million households are still dependent on the dairy industry

PRICES
 Even though milk prices have kept increasing, it has been done in a planned manner gently and consistently which in turn has ensured that there is little consumer resistance against such price increases.

- Growth in milk production in India outpaced other large milk producing nations such as the United States of America and China, which recorded only 2-3% CAGR during the past five years. However, per capita availability (302 grams/day) in India is significantly low compared with developed countries (831 grams/ day).
- India, projected to be the most populous country over the next decade, will be the world's largest milk producer by 2026 and will account for the biggest increase in wheat production globally, according to a report by the United Nations (UN) and the Organisation for Economic Co-operation and Development (OECD).
- The OECD-FAO Agricultural Outlook 2017-2026—FAO stands for Food and Agriculture Organization—said the world's population will increase from 7.3 to 8.2 billion over the course of the next decade with India and Sub-Saharan Africa accounting for 56% of total population growth.
- India's population will grow from 1.3 billion to 1.5 billion, an increase of almost 150 million. The country will overtake China and is projected to be the most populous country in the world by 2026.
- “Over the course of the outlook period alone, milk production in India will grow 49%; in 2026, India will be the world's largest milk producer, with an output one-third above that of the second largest producer, the European Union (EU),” said the report.

Emerging value-added categories

During the last five to ten years, India has seen dramatic shift towards consumption of value-added products such as cheese, yoghurt, UHT (ultra-heat treatment) milk, flavored milk, and whey. To tap the advantages of the changing consumer food preferences, most organized players are expanding product portfolios in the value-added segment. This segment offers high growth potential and better margins versus the liquid milk and Skimmed Milk Powder (Skimmed Milk Powder) segment.

Opportunities in Indian Dairy Industry

Dairy industry is of crucial importance to India. The country is the world's largest milk producer, accounting for more than 13% of world's total milk production. It is the world's largest consumer of dairy products, consuming almost 100% of its own milk production. Dairy products are a major source of cheap and nutritious food to millions of people in India and the only acceptable source of animal protein for large vegetarian segment of Indian population, particularly among the landless, small and marginal farmers and women. Dairying has been considered as one of the activities aimed at alleviating the poverty and unemployment especially in the rural areas in the rain-fed and drought-prone regions.

Key Areas of Concern in the Dairy Industry

- 1) Competitiveness cost of production, productivity of animals etc.: The demand for quality dairy products is rising and production is also increasing in many developing countries. The countries which are expected to benefit most from any increase in world demand for dairy products are those which have low cost of production. Therefore, in order to increase the competitiveness of Indian dairy industry, efforts should be made to reduce cost of production. Increasing productivity of animals, better health care and breeding facilities and management of dairy animals can reduce the cost of milk production. The Government and dairy industry can play a vital role in this direction.
- 2) Production, processing and marketing infrastructure: If India has to emerge as an exporting country, it is imperative that we should develop proper production, processing and marketing infrastructure, which is capable of meeting international quality requirements. A comprehensive strategy for producing quality and safe dairy products should be formulated with suitable legal backup.
- 3) Focus on buffalo milk based specialty: Dairy industry in India is also unique with regard to availability of large proportion of buffalo milk. Thus, India can focus on buffalo milk based specialty products, like Mozzarella cheese, tailored to meet the needs of the target consumers.
- 4) Import of value-added products and export of lower value products: With the trade liberalisation, despite the attempts of Indian companies to develop their product range, it could well be that in the future, more value-added products will be imported and lower value products will be exported. The industry has to prepare themselves to meet the challenges.

5) Provisions of SPS and TBT: At the international level, we have to ensure that provisions of SPS and TBT are based on application of sound scientific principles and should become defacto barriers to trade.

Source:<http://dairynews.in/opportunities-indian-dairy-industry/#.WjT-5a2B3q0>

Indian key dairy drivers for success business strategy

The dairy industry growth will be driven by a number of drivers. Four most important growth drivers of the dairy industry are private investment, cold chain development, cooperative investment, and market mechanisms.

“The Indian dairy landscape is vastly different from the international dairy supply chain. In India, millions of small and marginal farmers who own two to three animals constitute the primary suppliers while the average herd size in countries such as New Zealand is more than 300. This means that discrete quantities and varying compositions of milk need to be received across a widely distributed geography and quickly tested, cooled and dispatched to chilling centres and processing plants. The assurance of right price for the right quality to the farmer has been delivered by the deployment of technology to measure and capture the quantity and quality of milk at each collection point. The entire supply chain has to be agile and is supported by technology to monitor quality and temperature and optimize distance travelled. Milk received at dairy plants and at every subsequent stage again needs quality measurement and checks in order to ensure that the product delivered to the consumer is of the highest quality.

SAP is deployed to enable the manufacturing and distribution processes across all the businesses. Mobile ordering and the asset monitoring application have been put in place for our distributors and we are in the process of deploying technology solutions to enhance the retail experience at our booths. SOP processes strongly embedded through dairy drivers systems are essential to strengthen to achieve orchestration across the procurement, manufacturing and distribution processes.”

Growth Drivers

The dairy industry has been growing on average of 4% annually (department of AHD&F) due to some specific growth drivers. Consequently, food processing industry is emerging as sunrise industry in India. Here, the growth drivers are the factors, which shape the industry and induce growth of the dairy sector. However, the present growth drivers are likely to change in future in their strength and effectiveness. Further, there are some other less important growth factors as well. When it comes to the scenario of growth drivers, the extension system and farmers training, considered as an important driver. Market mechanism comes out as most effective and potential driver to steer the growth. The names of the other most influential growth drivers of the sector are cold chain development, private investment, cooperative investment, packaging technologies, R&D and research institutes, food safety, and milk processing technologies.

The consumption of dairy proteins has been increasing in recent years, driven by rising income in emerging markets, growth in ‘gym culture’ and a shift towards foods with functional benefits. The global protein market is projected to grow at a CAGR of 6 per cent to 2018.18 Dairy proteins are often viewed by consumers as the ‘gold standard’ in protein due to their complete amino acid profile, easy digestibility and satiety benefits, and are increasingly used for fitness and weight management. Dairy companies are taking advantage of this trend, adding value to proteins for use in a variety of applications relating to health and nutrition and medicine.

Expansion in the sports nutrition market Dairy plays a key role in sports nutrition, with ingredients such as whey and casein staple components of many product varieties. The sports nutrition market is currently experiencing rapid growth, and is expanding to include more segments, with greater numbers of casual users using the products. This has implications for how the products are marketed. For example, occasional users who are less informed about product attributes are more likely to buy established, trusted brands from traditional outlets.

Challenges to dairy sector from emerging trade regime

The link between trade and food security is complex and the effects are different for different categories and levels. While trade policies are decided at a national level, the effects are felt at the individual level depending on whether the individual is a producer or a consumer, and a little more complex if a producer is also a net consumer. The two key challenges that arise are: a) balancing the interests of producers and consumers, and b) balancing the interests of the nation versus sector.

A) Balancing the interests of producers and consumers

The argument for increased trade is often made that such increased trade benefits producer through higher prices for their produce. While producers benefit from high prices as long as they are able to secure such high prices for their produce, they are adversely affected when prices dip. Such fluctuations in income can affect their food security. On the other hand, high domestic prices fuelled by global trade and price trends can erode the ability of consumers to even maintain their existing levels of consumption and increase the level of food insecurity.

While about half of the India's rural population own milch animals, a much larger proportion of consumers, both rural and urban, purchase milk. As per 66th round of the NSSO, 85% of the population in urban areas and 76 % in rural areas consume milk at home.

At the same time, the ability to purchase and consume milk is limited in a large proportion of households who have little or no access to milk and milk products. According to NSSO data for 2009-10, about 60% of both urban households and rural households report consumption expenditure that is lower than the average monthly expenditure on milk and milk products estimated at about ₹380 for rural households and about ₹560/- for urban households.

The review of structure and trends in trade of Skimmed Milk Powder indicates that the gains from trade are yet to be realised by labour abundant countries like India in a significant manner for a product that is the result of a labour intensive activity. While expert opinion seems to be in favour of trade liberalization to address price volatility and levels, there is some evidence to suggest that an insular approach reduces the effects of volatility at least in some countries. Using bans and providing duty free access on a temporary basis seems to indicate that governments are responding either in anticipation of or as a result of expressed consumer concerns on volatile and/or high prices. In both the cases, a tradeoff is required to be made in favour of either producers or consumers. The challenge is in trying to find a middle path that could help in balancing the interests of producers and consumers, without adversely affecting the interests of the other.

B) Balancing sectoral and national interests

Enhancing and securing a country's economic interests often involve a range of international agreements that could range in scope from a trade and/or investment to a comprehensive economic cooperation agreement, which could cover a large number of sectors (verticals) and areas of cooperation (horizontal). Trade negotiations at various levels – bilateral, plurilateral or multilateral involve a strategy of give and take in order to conclude the agreements. However in the process, it could mean that there are demands from negotiating partners that could adversely affect the interests of a particular sector.

With the Doha round of negotiations for the WTO agreements yet to be concluded, the need to stimulate economic growth through enhanced trade and investment has led to India being involved in negotiations on a number of bilateral/plurilateral/regional free trade/economic cooperation agreements. For the dairy sector, the significant ones are the ones underway with major milk product exporting countries such as the ones with the EU, New Zealand and Australia.

At the national level, the economic interests that are being pursued by India in the proposed Bilateral Trade and Investment Agreement (BTIA) with EU includes jobs and growth in general and favourable changes in regulations such as data security and movement of professionals, which are likely to benefit some key sectors of India (PIB, 2013). On the other hand, producer cooperatives have been arguing that the BTIA is not in the interest of milk producers, as there will be no level playing field, as Indian milk producers will not have protection against the subsidized exports. Further the demands to provide protection for geographical indications in India will prevent Indian dairies from producing products such as cheeses. At the same time there will not be any significant benefit from any reciprocal concessions, as Indian dairies would find it difficult to meet the stringent SPS regulations. (Down to Earth, 2013), (TNN, 2013). Similarly, the Free Trade Agreement (FTA) with New Zealand also poses a challenge in balancing a country's overall interests with the interests of India's dairy sector. (PIB, 2011)

Trade policy measures are instruments that can either promote exports or defend against imports, to pursue national interests. To help understand the kind of orientation a country is adopting with respect to pursuing its national interests, it can be useful to use a matrix with its orientation on import and export on two sides as given below. An attempt has

been made to identify the trade orientation for major dairying countries that are significant in terms of production, trade or both.

| | | Imports | | |
|---------|--------------------------------|---|----------------------|---|
| | | Positive (Low level of tariffs) | Neutral | Negative (High tariff and non-tariff barriers) |
| Exports | Positive (Export Subsidies) | | | EU, US |
| | Neutral | Importing countries like members of ASEAN | NZ, Australia, India | |
| | Negative (Export Subsidies) | | | |

For the dairy sector, EU and US have an orientation that is negative for imports, on account of significant trade barriers trade (tariff and non-tariff) and positive for exports on account of use of price support and subsidies for production and trade. On the other hand, New Zealand and Australia have a neutral policy on both exports and imports. Even though there have been temporary instances of export bans or duty free access to address short term cyclical trends, India's long term trade orientation for the dairy sector can best be described as neutral for both import and exports, as it does not have any significant barriers to import as well as any subsidies for exports.

Considering that milk in India is produced by millions of smallholder producers, it cannot assume an orientation that is positive for imports, as surges in import can adversely affect the incentive for domestic production and thereby affect the self-sufficiency status that has been achieved and maintained.

It would therefore be advisable to not provide trade liberalization under the FTA being pursued with major dairy exporters such as the EU, New Zealand and Australia. However there would be challenges in balancing the need to promote the country's overall economic interests, with the need to ensure that Indian dairy sector's interests are not adversely affected

Source: http://www.dairyknowledge.in/sites/default/files/indian_dairy_industrycurrent_status_challenges_and_issues_under_wto.pdf

Government Schemes

National Dairy Plan

National Dairy Plan Phase I (NDP I) is a Central Sector Scheme for a period of 2011-12 to 2018-19. NDP I will be implemented with a total investment of about ₹2242 Crores comprising ₹1584 Crores as International Development Association (IDA) credit, ₹176 Crores as Government of India share, ₹282 Crores as share of End Implementing Agencies (EIAs) that will carry out the projects in participating states and ₹200 Crores by National Dairy Development Board and its subsidiaries for providing technical and implementation support to the project.

Board of Executive Directors of the International Development Association has approved a US\$ 352 million credit on 15 March 2012 and Department of Animal Husbandry, Dairying and Fisheries, Government of India issued administrative approval of central sector scheme NDP I vide office memorandum F. No. 22-23/2011-DP dated 16 March 2012.

Funding will be through a line of credit from the International Development Association (IDA), which along with the share of the Government of India will flow from DADF to NDDB and in turn to eligible EIAs.

Objectives of the Scheme

NDP I is a scientifically planned multi-state initiative with the following Project Development Objectives:

- To help increase productivity of milch animals and thereby increase milk production to meet the rapidly growing demand for milk.
- To help provide rural milk producers with greater access to the organised milk-processing sector.

These objectives would be pursued through adoption of focused scientific and systematic processes in provision of technical inputs supported by appropriate policy and regulatory measures.

Project Area

NDP I will focus on 18 major milk producing states namely Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal, Telangana, Uttarakhand, Jharkhand and Chhattisgarh which together account for over 90% of the country's milk production. Coverage of NDP I will however be across the country in terms of benefits accruing from the scheme.
(Source: <http://www.nddb.org/ndpi/about/brief>)

OUR BUSINESS

Our Company was originally incorporated as a private limited company on 30th July, 1992 under the name Tasty Dairy Specialities Private Limited vide certificate of Incorporation dated July 30, 1992, issued by the Registrar of Companies, Kanpur under the provisions of Companies Act 1956. Subsequently, our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on April 10, 2004 and the name of our company was changed to “Tasty Dairy Specialities Limited”. Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Kanpur on November 25, 2004. The Corporate Identification Number of our Company is U15202UP1992PLC014593.

Our Company is currently involved in processing milk, along with bulk milk procurement and handling during season time which primarily caters to bulk and marquee institutional customers. Company is further involved in value added milk products like Skimmed Milk Powder, Butter, Ghee, Dairy Whitener, Concentrated Milk etc. This is providing us a firm ground to enter into retail segment. Currently, our Company is situated in Uttar Pradesh, which is one of the largest milk producers State in India. Our manufacturing unit at D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat, Uttar Pradesh falls in the richest milk belt of U.P. The Company with the existing plant and machinery is capable of handling approximately 5,00,000 litres of raw milk which comprises of 1,60,000 litres of milk packaging, 20,000 litres of buttermilk packaging, 2,20,000 Litres for making Skimmed Milk Powder and Ghee and 2,00,000 litres of bulk milk processing. These facilities are not only in close proximity to our milk procurement region but also to our target market.

Over the two decades, the Company invested consistently in proactive capacity creation, stretching its gearing to a peak. Mr. Atul Mehra is a qualified technocrat and prominent business leader in the dairy industry in India. He has contributed immensely to the dairy industry through his experience nationally as well as internationally and is also a vivid speaker on the subject. Our Company has achieved tremendous growth and success under his able guidance. For further details of our promoters, please refer chapter titled “*Promoters and Promoter group*” and “*Our Management*” on page number 120 and 108 respectively of this Prospectus.

We are catering to the best of the customers in Indian dairy segment and our prime customers being Delhi Milk scheme (a Central Government of India Organisation), Mother Dairy (a wholly owned subsidiary of the National Dairy Development Board (NDDDB)), Parle Products , Sterling Agro Industries Limited, Kwality Dairy Limited, Perfetti Van Melle etc. The Company has elevated itself in processing to meet stringent audits of respected names like GCMMF (Amul).

The Company has enjoyed the trust of the vendors utilising the facility for production of goods conforming to the highest quality. Not only that these marquee names have chosen to work with the Company but have given repeated business and have significantly contributed in the growth of the Company.

Our Company has wide range of quality dairy products under its umbrella which includes Pasteurized Liquid Milk, Cream, Butter (White/Salted), Pure Desi Ghee (Clarified Butter), Paneer (Fresh Cottage Cheese), Skimmed Milk Powder, Full Cream Milk Powder, Dairy Whitener, Instant Gulab Jamun Mix, Pedas (a Indian Sweet), Mithai Powder etc., are packaged under the brand names “UJJWAL”, “SHIKHAR”, “VERIFRESH”, “CIMA”, “MITHAI MASTER” which are available in Uttar Pradesh, Madhya Pradesh and Bihar, whereas, the institutional products are supplied pan India. As of September 30, 2017, our distributor network included more than 20 distributors through which we serve a large number of retail outlets.

Our Company caters to domestic as well as multinational companies. We are an accepted name with Government organizations, co-operative societies, defence sector and the organized retail sector.

Our Company bears the fruit of a semi-automated plant, highly motivated, skilled and dedicated workforce. We impart continuous training to our employees, which helps the organization stay abreast of the rapidly changing preferences and taste of consumers.

We have received several quality certifications relating to our products and production facilities, including ISO 22000:2005 certification from IRCLASS Systems and Solutions Private Limited for receipt of raw milk, processing, packaging, storage and dispatch of pasteurized milk and milk products. The company has made constant efforts in raising the bar by achieving various quality standards like BIS certificate from Bureau of Indian Standard in respect of skimmed milk powder, AGMARK quality certification for ghee, approval for processing and packaging of milk

products for export by Export Council of India. Our products undergo stringent quality check and meet the highest standards set by our customers.

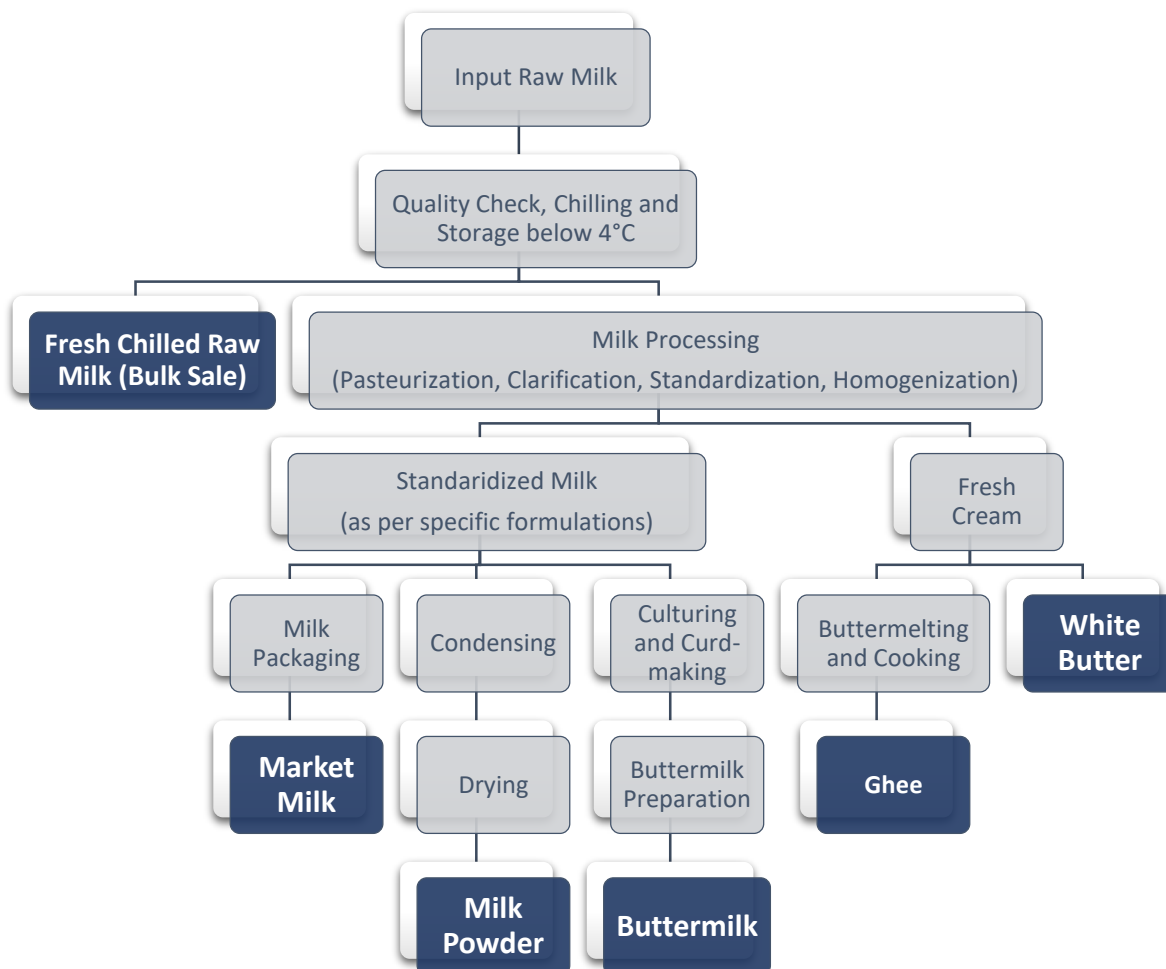
CAGR information relating to total income, profit after tax and EBITDA margin are based on our Restated Standalone Financial Statements for FY 2013 to 2017. Our total income in FY 2015, 2016, 2017 and the six months period ended September 30, 2017 was ₹3,079.5 million, ₹3,348.8 million, ₹ 2,390 million and ₹ 1374.6 million, respectively. Our EBITDA in FY 2015, 2016, 2017 and the six months period ended September 30, 2017 was ₹ 117.80 million, ₹ 132.36 million, ₹ 133.03 million and ₹ 70.41 million, respectively, while our profit after tax, in such periods was ₹ 44.50 million, ₹ 46.17 million, ₹ 45.17 million and ₹ 24.37 million, respectively.

Manufacturing Facility

Our Company’s manufacturing activities are undertaken at D-3, UPSIDC Industrial Area Jainpur, Kanpur Dehat, Uttar Pradesh which is spread over an area admeasuring around 15078 square meters approximately. Our unit is well equipped with wide range of machineries and other handling equipment to facilitate smooth manufacturing process. Our Company also has additional land bank for expansion, adjoining to the existing manufacturing unit.

Manufacturing Process

The below mentioned flowchart reflects our manufacturing process



The brief manufacturing processes of some of our products are as follows:

Procurement of milk

All our production processes begin with the procurement of milk. We procure the Raw Milk directly from milk farmers and milk vendors from Kanpur and adjacent areas, which is a significant milk producing region in Uttar Pradesh. Our direct procurement model enables us to control costs and ensure quality of the raw milk procured by us. When milk arrives at the collection centre is examined for its Quality, Physical, Chemical as well as microbiological, Hygiene and Quantity. Our milk collection facilities have milk testing equipment and storage facilities, to test, collect and store raw milk at these milk collection facilities before being transported to our production facilities. Such inspections are operated by one or more of our employees before the milk are accepted. Post-demonetisation, the Company relies more on quality approved milk collection vendors than the collection centres in and across our raw milk procurement area. The price at which we purchase the milk is dependent on the quality of milk that is supplied to the milk collection facilities especially the Fat and Milk Solid-not-fat (MSNF) content in the raw milk supplied. Once approved and accepted, the raw milk is transported in specialized milk tanker vehicles to our production facilities.

Screening and testing-

We have strict system in place and in-implementation to ascertain quality control standards for raw milk farmers and suppliers. We conduct screening and testing of the milk procured by us and for this purpose we have our own laboratory consisting of research and development team, which is situated within the premise of our production facility. Tests are conducted for the quality assurance which is based on the twenty six parameters including Fat test, SNF test, Temperature test, Color test, Acidity test, Salt test, Starch test, Sensory Quality of Milk, presence of any adulterants for good hygienic handling practices which in-turn contribute to its Microbiological Quality

Pasteurization

Pasteurization is the next step in Milk processing. Pasteurization means heating every particle of the milk or milk product to a Specific Temperature, holding for a defined duration at this temperature and Cooling below 4° C. The whole process enables destruction of 99.96% of pathogens and making milk safe for direct consumption besides extending its shelf-life to 3-days under refrigeration. We have established facility to undertake continuous Pasteurization Process, known as HTST (High Temperature Short Time) which eliminate involvement of human-touch and in-turn the probability of contamination. It makes the milk safe and healthy. It also improves the storage quality, so that milk and milk products can be stored for longer periods without being spoilt.

Clarification and Standardization

The cold raw milk passes through a centrifugal separator, which spins the milk through a series of conical disks inside an enclosure. A clarifier removes waste, bacteria, and other sediment that may be present in the raw milk. For separation of milk we have installed three machineries, of Tetra Pack make, which has capacity to spin 10000 litres of milk per hour each.

After pasteurization, the milk is standardized as per the prevailing standards by taking in to cream separators for separation of excess cream from whole milk, if required, If the fat is partially removed in a manner that the final product contains 3% Fat, it is called Toned Milk and if the fat is completely removed from milk which leaves fat not more than 0.5%, it is called Skimmed Milk. The skimmed milk and pasteurised toned milk goes through standardization and then are packaged indifferent sizes of pouches for sale. Skim milk contains about 91% water

Homogenization

Homogenization is a mechanical process that breaks the large and uneven Fat globules into smaller uniform size that remain present in true solution and prevent gravity separation of milk in the form of cream layer formation. Homogenization improves viscosity of milk and appearance whiter. Homogenization is being done prior to Pasteurization, so as to prevent milk from deterioration of microbiological quality

Butter

Once pasteurization is done, Milk passes through separators where full cream milk is separated and milk cream is beaten vigorously in a churning cylinder until it thickens naturally into butter. The remaining liquid (buttermilk) is drained off, and the butter is mixed and blended. At this point, salt is sometimes added. The final product is, by regulation, at least 80% fat, about 16% water and 3% milk solids. After being weighed, cut, wrapped and chilled, the butter is delivered to your grocery store, ready for you to add to your favourite foods.

Clarified Butter (Ghee)

Ghee is obtained by clarification of milk fat at high temperature and is an indispensable part of religious and ceremonial rites and is prominent in the hierarchy of Indian dietary. Ghee can be stored for extended periods without refrigeration. The manufacturing process comprises two steps: separation of cream from milk and extraction of ghee from the cream. The cream less milk can be sold as toned milk. Ghee is sold in institutional as well as retail market. In retail market, it sold in different packages such as pouch, jar, tin, bottle, and carton with size starting from 15 grams to 1 kg. In institutional market, ghee is sold in 15kg tins to sweet shops, bakeries, hotels etc.

Milk Condensing and Drying -

During Milk Powder production water is removed by boiling the milk under reduced pressure at low temperature in a process known as evaporation. The resulting concentrated milk is then sprayed in a fine mist into hot air to remove further moisture thus forming a powder.

The left over skimmed milk, on the other side is sent to evaporators for evaporation of its water contents and to get its powder form through spray driers or roller driers. One purpose of drying milk is to preserve it. Milk powder has a far longer shelf life than liquid milk and does not need to be refrigerated, due to its low moisture content

Paneer and Peda-

We also produce cottage cheese that is Paneer and Peda which an Indian sweet as per the demand of the institutional customer's.

UTILITIES:

Raw Materials:

The Raw Material for our Company is Raw Milk, which is procured directly from milk farmers and milk vendors from Kanpur and adjacent areas, which is a significant milk producing region in Uttar Pradesh. Our direct procurement model enables us to control costs and ensure quality of the raw milk procured by us. The price at which we purchase the milk is dependent on the quality of milk that is supplied to the milk collection facilities especially the Fat and Milk Solid-not-fat (MSNF) content in the raw milk supplied. Once approved and accepted, the raw milk is transported in specialized milk tanker vehicles to our production facilities.

Power

Our manufacturing operations require a significant amount of power and we also require power to refrigerate and store our products at low temperatures. We depend on state electricity supply for our power requirements which is estimated at 380 KVA and we use diesel generators to meet exigencies to ensure that our facilities are operational during power failures.

Water






We source our water requirements which is estimated at 2,00,000 litres per day, from borewells and water tankers. In addition, water plays a vital role in relation to our production processes. To ensure adequate supply of water, tube wells have been installed within our production facilities for supply of water in addition to the routine sources of water, and we have established a Reverse Osmosis system which filters 5000 litres per hour to treat impurities in the water by removing bacteria, harmful minerals and other impurities.

Packaging

The products are pumped into plastic pouches, tins and cartoons as per the quantity and are sealed. The products are stamped with a "best before within" date to ensure that the retailers do not allow the milk, butter, ghee and milk powder to stay on their shelves longer than it can be safely stored. The packets and tins are placed in protective shipping containers and kept refrigerated. Further, we ensure that the products are packaged under supervision, and in accordance with our internal policies as well as policies and regulations provided by the Food Safety and Standards Authority of India (FSSAI). They are shipped to distribution warehouses in refrigerated trailers and then on to the individual markets, where they are kept in refrigerated display cases.

Our Products:

We have wide range of dairy products. Our brand and products along with their target customer base are as mentioned below:

| Brands | Products | Targeted consumer group |
|---|--|---|
|  | <ul style="list-style-type: none"> • Spray Dried Skimmed Milk Powder | Dairy Companies and Confectionery's Companies. |
|  | <ul style="list-style-type: none"> • Desi Ghee • Spray Dried Skimmed Milk Powder | Targeted at household consumption and to be used as cooking ingredients. Dairy Companies and Confectionery's Companies |
|  | | |
|  | <ul style="list-style-type: none"> • Spray Dried Skimmed Milk Powder • Pasteurised White Butter • Pasteurised Butter • Pasteurised Full Cream Milk • Pasteurised Skimmed Milk • Pasteurised Toned Milk • Paneer • Peda | Dairy Companies and Confectionery's Companies Targeted at household consumption and to be used as cooking ingredients. |
|  | <ul style="list-style-type: none"> • Instant Gulab Jamun Mix | Targeted at household consumption and to be used as cooking ingredients |

OUR PROCESSES



Milk collection from
Qualified Milk Vendors

Storage of Milk under
refrigeration



Continuous Quality
Assurance at every stage

Milk Pasteurization



Homogenization
Clarification / Separation

Packaging of Products



Institutional Products

We produce a range of milk and dairy products including milk-based specialty ingredient products and co-manufactured products for a large number of Indian and multinational companies. Our specialty ingredient products are used in the production of other milk and food products by our institutional customers, while co-manufactured products are those products which are sold by our institutional customers under their own brands.

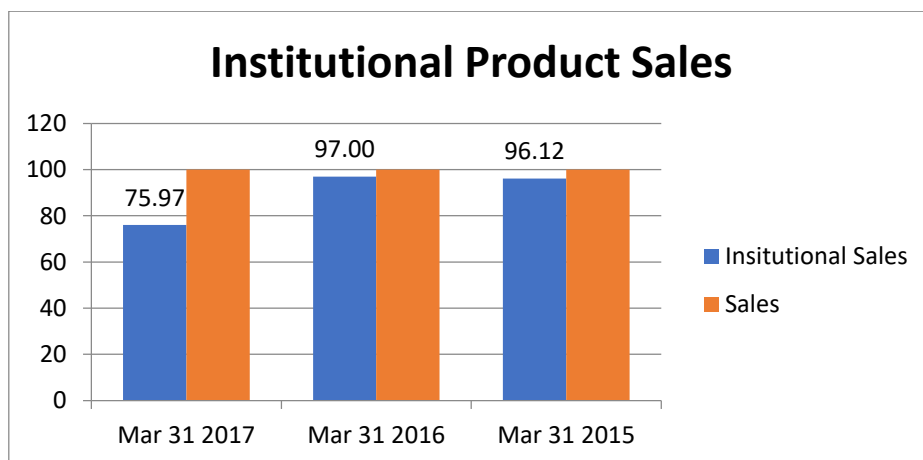
- **Specialty Ingredient Products.** Our specialty ingredient products includes nutrition supplements and formulations for baby food, specialty milk powders, white butter, Table/salted butter, clarified butter (Desi ghee), dairy whitener and Gulab jamun mix to various institutional customers including Delhi Milk scheme (a Central Government of India Organisation), Mother Dairy(a wholly owned subsidiary of the National Dairy Development Board (NDDB)), Parle Products, Sterling Agro Industries Limited, Kwaliti Dairy Limited, Perfetti Van Melle.
- **Co-manufactured Products.** Our co-manufactured products include, full cream milk, Toned milk, Skimmed milk, butter milk for various reputed consumer product companies including Gujarat Cooperative Milk Marketing Federation Limited (GCMMFL) & Banaskantha District Cooperative Milk Producers Union Limited (BDCMPUL).

Retail Consumer Products. Our Company has wide range of quality dairy products under its umbrella which includes Pasteurized Liquid Milk, Cream, Butter (White/Salted), Pure Desi Ghee (Clarified Butter), Paneer (Fresh Cottage Cheese), Skimmed Milk Powder, Full Cream Milk Powder, Dairy Whitener, Instant Gulab Jamun Mix, Peda (a Indian Sweet), Mithai Powder etc., are packaged under the brand names “UJJWAL”, “SHIKHAR”, “VERIFRESH”, "CIMA", "MITHAI MASTER" which are available in Uttar Pradesh, Madhya Pradesh and Bihar, whereas, the institutional products are supplied pan India. Over the years, we have developed a large distribution network to market and distribute our retail consumer products across India. As of September 30, 2017, our distributor network included more than 20 distributors through which we serve a large number of retail outlets.

INSTITUTIONAL SALES

The institutional sales are defined as the process of selling the good and services to the customers who will make purchases in bulk quantity.

We derive majority of our revenues from the sales of institutional products. In FY 2015, 2016 and 2017, sales of institutional products represented 96.12%, 97.00% and 75.97%, respectively, of our revenues from operations in such periods, while sales of retail consumer products represented 3.88%, 3.00%, and 24.03%, respectively, of our revenues from operations in such periods. We have significantly grown our retail consumer products business in the past few years, and expect the retail business to contribute an increasing proportion of total sales in the future while we continue to focus to grow our institutional products business.



Institutional sales provide very favourable margin to our company in terms of cash sales and the profit margin is also relatively high as compared to the daily merchandised products. Institutional sales are influenced by the market structure and demand forecasting data of the industry. The institutional sales are not fixed as they vary according to the

changing demands and other seasonal variations. In summers, the sale of the milk consumption rate goes up as the its end product like cold milk, flavoured milk, ice creams, curd, butter milk, etc. are in high demand.

With its India wide market reach and consistent product quality at reasonable rates, the Company has been able to win the loyalty and trust of its consumers.

Sales, Marketing and Distribution Network

India is our principal market where we sell our products to retail customers through general trade channels in the State of Uttar Pradesh, Haryana Rajasthan Delhi, Bihar, Madhya Pradesh, Karnataka, Kerala etc. We primarily sell butter, Skimmed milk powder, Ghee and other milk products to our institutional customers. As of now we are planning to strengthen our marketing team which will be based at our key distribution centres. The company as a corporate strategy wishes to ensure grass to glass and farm to fork strategy combining training of rural representatives, developing grass root distribution strategies, offering extra services to consumers and producers, a marketing strategy using mobile technology and apps. Our marketing team will develop a separate marketing and distribution strategy for each of our products and engage in several marketing and promotional activities to promote our brands and increase our sales volumes.

Competitive Strengths.

We believe we have the following competitive strengths:

Milk procurement system

In order to meet the milk requirement for manufacturing operations, we procure good quality milk from different quality approved milk collection vendors. We believe that maintaining good relationships and creating awareness among milk farmers and other milk vendors is essential to increasing our milk procurement. Currently, our Company is situated in one of the largest milk producer state of India. Our manufacturing unit at D-3, UPSIDC Industrial Area Jainpur, Kanpur Dehat, Uttar Pradesh falls in the richest milk belt of UP. We procure a majority of our raw milk requirements directly from milk farmers and registered milk vendors in Kanpur and few other nearby districts of the State of Uttar Pradesh. The production volume of our products is dependent upon the amount and quality of raw milk that we are able to procure. There is tremendous scope to process fresh milk which would need incremental investments in chilling centres, farmers' education, bulk milk coolers and capacity enhancement.

Diversified product portfolio.

Starting from Raw milk we make several value added products like skimmed milk powder, butter, ghee, dairy whitener, liquid milk, concentrated skimmed milk, gulab jamun mix and other sweets. This enables us to take advantage of the best value a given product can give at given time. Our product portfolio includes a range of retail consumer products as well as specialty ingredient products and co-manufactured products even for institutional customers. We offer a diverse portfolio of consumer products targeted at various consumer segments along with Institutional products and this, we believe, enables us to cater to the changing preferences of our retail customers.

Established Track Record of Growth and Financial Performance

CAGR information relating to total income, profit after tax and EBITDA margin are based on our Restated Standalone Financial Statements for FY 2013 to 2017. Our total income in FY 2015, 2016, 2017 and the six months ended September 30, 2017 was ₹ 3,079.5 million, ₹ 3,348.8 million, ₹ 2,390 million and ₹ 1374.6 million, respectively. Our EBITDA in Fiscal 2015, 2016, 2017 and the six months ended September 30, 2017 was ₹ 117.80 million, ₹ 132.36 million, ₹ 133.03 million and ₹ 70.41 million, respectively, while our profit after tax, in such periods was ₹ 44.50 million, ₹ 46.17 million, ₹ 45.17 million and ₹ 24.37 million, respectively.

Experienced Senior Management

Our Promoters feel that in dairy sector the time is ripe to create an ecology of change rather than a quick resolution or in a scientific term about an incremental system innovation rather than radical innovation. The promoters with their passionate approach about their business were always clear about goals and aspirations and always prepared to change

their mindset to the emerging needs and ground realities. Our Company is promoted by Mr. Atul Mehra, our Chairman and Whole time Director and Mr. Prem Mehra, Executive Director, each of whom have over 25 years of experience in the milk and dairy based food business. Mr. Atul Mehra has been the Past Chairman of Confederation of Indian Industries (CII, Uttar Pradesh), Secretary (Dairy/Milk Processing Industry) of the Indian Industries Association and was a member of the Executive Committee of Confederation of Indian Food Trade and Industry (CIFTI, food wing of Federation of Indian Chambers of Commerce and Industry (FICCI). His efforts have won him national awards, such as Micro, Small & Medium Enterprise (MSME) Award for Entrepreneurship by the President of India, Rajiv Gandhi National Quality Award and Business Leadership Award of Institute of Economic Studies and Indo-Thai Corporation Forum. Their experience has helped us develop relationships with our vendors including farmers for the procurement of milk, institutional customers and our dealers and distributors. We believe that the extensive industry experience of our senior management has helped us in developing an optimized procurement model and an extensive marketing and sales network. We believe that our management team of qualified and experienced professionals enables us to identify new avenues of growth, and help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings.

Building brand visibility

We believe that we have established our brand in the dairy products industry in India with strong consumer recognition especially in the State of Uttar Pradesh. Our efforts have enabled us to receive the award for “MSME National Award”, “Business Leadership Award”, “Recognition among Top 50 leading SMEs of India, Rajiv Gandhi National Quality Award (Commendation Certificate), 2007” and “National Productivity Award (Certificate of Merit), DIC 4 Star Category Award”, Udyog Patra Award etc. Our wide range of products and ability to manufacture quality specialty ingredient products enable us to cater to evolving consumer trends and serve a larger product portfolio to our institutional customers.

Quality control

The Milk belt in which we are placed has lots of good quality milk. The Company is working with several organisations to better the quality of milk and training the farmers to better the quality of milk at the farm. Stringent quality control policy and systems results in production of continuously consistent quality products. Milk testing and quality control is an essential component of any milk processing industry whether small, medium or large scale. We know that, in order for any processor to make good dairy products, good quality raw materials are essential. Milk quality control is the use of approved tests to ensure the application of approved practices, standards and regulations concerning the milk and milk products. The tests are designed to ensure that milk products meet accepted standards. We believe that we are following such practices very carefully. We are committed to maintain quality and food safety at all steps of the milk processing chain from procurement of milk to dispatch of finished products. In accordance with that we have received several quality certifications for our products and production facilities, including certification from Food Safety and Standards Authority of India (FSSAI), AGMARK quality certification by the Government of India, Agricultural and Processed Food Products Export Development Authority (“APEEDA”) and **BIS quality** certification. We are also ISO 22000:2005 certified from IRCLASS Systems and Solutions Private Limited for receipt of raw milk, processing, packaging, storage and dispatch of pasteurized milk and milk products.

Continuous Growth and Expansion

Company being old and prominent member of Trade bodies and working for betterment of industry has a very good corporate image. The company has recently entered into an agreement to acquire certain milk processing equipment from Nutricia International Private limited which will enable it to manufacture high speciality dairy products setting up such a plant at a very optimal cost. The company with its upcoming MOU with PUM, a Dutch Government supported organisation working in the area of farmer training, farm setup and improving the quality of the products of the SME’s. This will enable the company to scale up on the technology front to get better relationship with the milk producing farmers and ultimately improves the quality of its raw material. The Company has space for future expansion in terms of surplus land for factory as well as chilling centres which can be immediately utilized to harness the additional opportunity of expansion. The steam generating boilers of the company work with agricultural waste (rice husk), since the plant is located in a rice rich belt therefore we get husk at a very economical rate and are also ecological contributing to the environment. Company also work in the area of water conservation and utilization of surplus water in a profitable way.

Business Strategies

We as a company believe that the growth of the Company will always be aligned to the growth of the farmers. We believe that a strong trained farmer is a very important link in the value chain for the business of our company. We are very farmer conscious Company, we have been taking different initiatives over a period of time to ensure that we get quality milk from the farmers and the per capita income of the farmers improve. By getting good quality milk from our suppliers we will be able to make better quality/exportable milk products and satisfy our customers. Moreover, with the quality of milk improving we shall be able to add more products to our portfolio enhancing our turnover and profitability. The company also believes if it can purchase milk by improving the payment cycle to the farmers it will be able to reduce the raw material cost and subsequently enhancing its profitability.

Expand our Institutional consumer products business

Our sales to institutional customers have historically contributed a majority of our revenues, we have significantly grown our retail consumer products business in recent years and expect the institutional business to contribute a larger proportion of our total sales in the future. We intend to leverage our established brands to expand our retail consumer product offerings, and also increase the availability of our VERIFRESH, SHIKHAR, UJJWAL and CIMA branded products in both existing markets and new markets across India. We have established strong relationships with various large dairy producers, Corporates and other institutional customers for the supply of speciality ingredient and co-manufactured products such as skimmed milk powder, speciality milk powders, clarified butter (ghee), dairy whiteners, processed and concentrated milk. Our institutional customers include Parle Products Private Limited, Parle Biscuits Private Limited, Perfetti Van Melle India, Mother Dairy. We have also exported our products to Bangladesh and have plans to export our products to other countries in times to come.

Vision and Mission

The company's vision and mission statement are aligned to inclusive growth which has words and actions fully mirroring each other. The company always wanted to add value both for its shareholders as well as for society. The vision and mission spells about looking at the broader picture, TASTY DAIRY wishes to play its part in nation building by its contribution in a significant way. The objective of the Company is to make high standard products which would be healthy, best in standards internationally and become market leader in these products over a period of time.

Being Proactive

The company has always converted a challenge into opportunity. It has always utilized government incentives, relocating industry at the appropriate time, sensing environmental issues, investing in quality real estate in alignment with future needs, following laws in word and spirit resulting in more focus on running the business than into litigation. The company is having a responsive consumer feedback mechanism resulting in near zero Complain, zero recall and constant patronage of the best companies as customers. The company has always embarked upon the path of empowering its stakeholders and farmers by providing resources they need to succeed. As a part of our objects to improve the environment around us we automatically elevate our position in the hierarchy.

Expanding our direct milk procurement network

We currently procure a majority of our raw milk requirements from milk farmers and registered milk vendors in the State of Uttar Pradesh, which Produces 17% of total milk production in India We also procure milk from contract milk suppliers in the region. Since our production volumes depend on the quality and quantity of raw milk we procure, we intend to further grow our direct milk procurement network by increasing the number of Collection centers and increase our engagement with milk farmers by providing additional veterinary services and quality cattle feed. By increasing the volume of raw milk procured directly from milk farmers and registered milk vendors, we also expect to benefit from lower raw milk costs.

Our Product Portfolio




We produce Full Cream Milk, Tonned Milk, Skimmed Milk, Whole Milk powder, Skimmed Milk Powder, Spray dried skimmed milk powder, Paneer, Peda, White Butter, Table/Salted Butter, Clarified Butter (Desi Ghee) and Specialty Milk Powders. We sell various dairy products, either as specialty ingredient products or co-manufactured products, to a

number of institutions including multinational companies. Additionally, we sell a range of dairy products under our own retail consumer brands


Our own branded consumer products consist of the following

- Pasteurized-pouch milk


We produce and market variety of pasteurized milk under the Verifresh brand. Pasteurization is generally adopted to reduce the risks of disease from microbial growth while preserving the nutrients of raw milk. Set forth below is certain information about our fresh milk products as of September 30, 2017

| Pouched milk | Brand | Features of the Product |
|----------------|--|---|
| Verifresh Real |  <p>Real Pasteurised Full Cream Milk</p> | Contains minimum 6.0 % Milk Fat and 9.0 % Milk SNF. |
| Verifresh Max |  <p>Max Pasteurised Toned Milk</p> | Contains 3.0 % Milk Fat and 8.5 % Milk SNF. |
| Verifresh Lite |  <p>Lite Pasteurised Skimmed Milk</p> | Contains 0.5 % Milk Fat and 9 % Milk SNF. |

- Butter

| Packed Butter | Brand | Features of the product |
|-------------------------------|--|--|
| Verifresh white butter |  <p>Verifresh Pasteurised White Butter</p> | Contains minimum 80% Milk FAT, it is pasteurized butter untouched by hands. Available in- 500g, 20kg and in packing as per the request of the costumer |
| Verifresh table/salted butter |  <p>Verifresh Table / Salted Butter</p> | Made of pure milk fat, Milk FAT, Min : 80% Moisture Max : 16% Salt, Max : 3% Curd, Max : 1% Packing in- 100g, 500g, 50g, 20g |




- Clarified Butter (ghee)-

| Pouched Ghee | Brand | Features of the product |
|-----------------------|---|---|
| Ujjwal Pure Desi ghee |  | Full cream milk hygienically packed in an ultra-modern dairy plant having latest technology Fat Min, 99.7% % Moisture Max, 0.3% AGMARK Certified |

- Dairy whitener, Skimmed milk powder and Whole milk powder

| <i>Milk powder</i> | <i>Brand</i> | <i>Features of the product</i> |
|-----------------------------|---|---|
| Shikhar-Skimmed milk powder |  | <ul style="list-style-type: none"> -It is a non-fat, protein rich milk powder. Most suitable for use by people on low calorie and high protein diet -These products have longer shelf life. -These products are used by dairies for reconstitution and by confectionery industry as an ingredient. |

Other retail consumer products-

| <i>Product</i> | <i>Brand</i> | <i>Features of the product</i> |
|------------------------------|---|--|
| Verifresh Paneer |  | <ul style="list-style-type: none"> • Equivalent to Cream Cottage cheese • Rich in Proteins • Pure and Hygienic • Having high fat and low moisture compared to loose paneer available in market. • Paneer having smooth, uniform texture and softness. |
| Verifresh Peda |  | It is a Indian sweet which is usually prepared in thick and semi soft pieces The main ingredients are Khoya, sugar and traditional flavourings, including cardamom seeds, pistachio nuts and saffron. |
| CIMA instant gulab jamun mix |  | A perfect treat for sweet lovers it is a product to make gulab jamun in shortest time and in economical way. Used both by Households and bulk consumers to make this most popular sweet. |

Production Capacity

The following table sets forth information relating to the aggregate estimated installed production capacities (per day) of our production facilities for the products specified below, as of September 30, 2017.

| Product | Production/ Processing Capacity |
|--|--|
| Aggregate milk processing capacity (in litres per day) | 3,00,000 Kilo litres Per day |
| Bulk Milk/Skimmed Milk Powder | 30 Tonnes/day |
| Clarified Butter(Desi Ghee) | 16.5 Tonnes/day |
| Paneer | 1 Tonne Per day |
| Butter | 1 Tonne/day |
| Khoya and pasteurized milk | 1 Tonne/day |

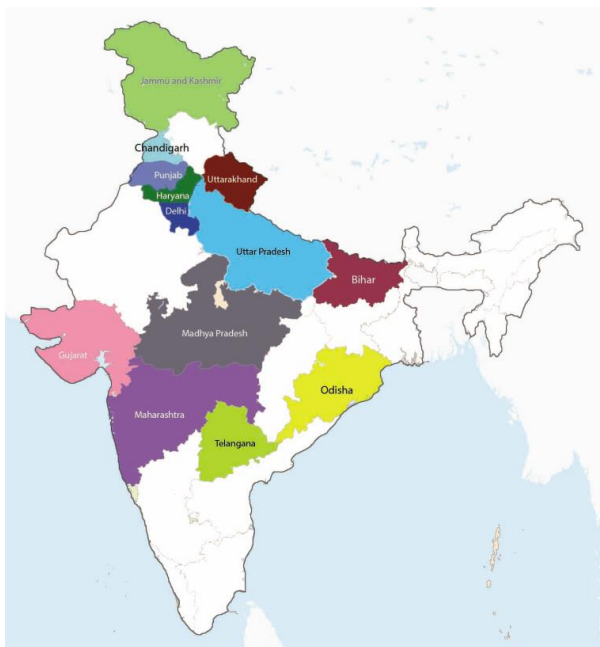
Capacity Utilization

The following table sets forth information relating to the aggregate estimated Capacity Utilization (per day) of our production facilities for the products specified below, as of September 30, 2017

| <i>Product</i> | <i>2017</i> | <i>2016</i> | <i>2015</i> |
|---|--|--|--|
| Aggregate milk processing capacity (in litres per day) | | | |
| Full Cream Milk/Toned Milk/Skimmed Milk | 1.55 Lacs Litres / Day + 1.25 Lacs Litres / Day for Amul Packing | 1.75 Lacs Litres / Day + 1.25 Lacs Litres / Day for Amul Packing | 1.35 Lacs Litres / Day + 1.25 Lacs Litres / Day for Amul Packing |
| Whole Milk powder/Skimmed Milk Powder/Spray dried skimmed milk powder | 14.80 Metric Ton / Day | 14.60 Metric Ton / Day | 10.80 Metric Ton / Day |
| Paneer | - | - | - |
| Peda | - | - | - |
| White Butter | 1.5 Metric Ton / Day | 0.40 Metric Ton / Day | 0.15 Metric Ton / Day |
| Table/Salted Butter | | | |
| Clarified Butter(Desi Ghee) | 1.65 Metric Ton / Day | 1.15 Metric Ton / Day | 0.60 Metric Ton / Day |

Our Distribution Network

The following map sets out the location of our distribution channel



Quality Control

Quality control at each step of the production process is done at our company which is utmost important to us. We are committed to ensure meeting high quality standards in our products. We have established a dedicated internal quality control team which ensures compliance with good manufacturing practices (GMP) guidelines of relevant governing agencies in India. The internal quality control team ensures internal quality control systems at our production facilities for procurement of raw milk, storage and transportation of raw milk as well as storage and transportation of finished products, Categorizes risks perceived and initial risk evaluation, Collects and reports information and updates regarding food safety, industry updates, applicable laws and regulations and quality standards on a regular basis and Establishes and enforces quality and technical standards for raw milk, other raw materials and dairy products.

Our broad quality control system is divided into several stages. We have also implemented several health and safety standards and measures at our production facilities, including regular safety related education and training for our employees to increase awareness on safety at the production facilities, providing the employees with adequate safety equipment, ensuring relevant warning signs are always displayed at required locations (in English, Hindi language), and periodic maintenance of our plant and machinery. We have control system established at various level which includes at the:

Procurement

We procure raw milk from the milk farmers, registered milk vendors and contract milk suppliers at our milk collection facilities. Such raw milk undergoes stringent tests to ensure that the quality and safety of the raw milk is in compliance with the statutory standards as well as our internal quality control standards. These quality tests are designed to ensure that the taste and content of nutrients are of high standards and the raw milk does not contain any forbidden substances such as antibiotics or alcohol. We also implement stringent cleaning standards to our facilities and perform inspections on our milk tanks to ensure the hygiene level of the milk tanks. Our internal quality standards enable us to maintain our quality standards.

Suppliers

We have implemented stringent quality control standards with respect to the raw materials we source from external suppliers. Before engaging a new supplier, we first review the qualifications of the supplier. A supplier is qualified if he passes the qualifications review. Once qualified, the suppliers remain subject to routine review and evaluation of various aspects.

Delivery of raw milk

We engage third-party logistics companies to deliver and transport our raw milk from our milk collection facilities to our production facilities. Our internal logistic department focuses on overseeing and implementing our stringent safety and quality control policy throughout the transportation process. We require that the raw milk delivery trucks be capable of maintaining optimal storage conditions to ensure that the quality and safety of raw milk are maintained during transit. We also require that such milk trucks be thoroughly cleaned, sanitized and inspected by our trained personnel after each round of delivery, following our quality control standards. The milk trucks are also required to be equipped with necessary thermal control equipment. Each milk truck is sealed at our milk collection facilities. These seals are opened only by authorized personnel on arrival at our production facilities. Thereafter, the milk is inspected again to ensure the quality and also to ensure that the appropriate temperature has been maintained for preservation.

Production process

We implement strict safety and quality standards at each stage of production process. Our staff involved in production activities is required to maintain strict hygiene standards. We ensure that the raw materials and ingredients used in our production processes are in compliance with applicable laws and regulations and, semi-finished products are tested to ensure compliance with our quality standards before proceeding to the next stage of production. Major factors in relation to the quality of our production at each step are listed out and monitored closely by our internal quality control team to prevent and rectify any potential occurrence of manufacturing errors.

Packaging, storage and delivery of finished products

We perform batch-wise quality inspection on our products to ensure compliance with national food safety standards. We implement quality control standards for packaging, loading, delivering and unloading of the product and ensure that the delivery process is in compliance with the guidelines for product transportation to ensure maintenance of the quality and safety of our products. We ensure that we store a sample from each batch of dairy products delivered to facilitate addressing of any issues or feedbacks from customers. We also conduct sample surveys at the retail chains to ensure our dairy products are properly transported and stored.

Employees:

Our work force is a critical factor in maintaining our competitive position and our human resource policies focus on training and retaining our employees. We offer our employees performance-linked incentives and benefits. We also hire contract labour for our facilities, from time to time. We believe that we have good relations with our employees. As of September 30, 2017, we have a team of 38 permanent employees.

Health and Safety

We are aimed to comply with the applicable health and safety regulations and have adopted an environment, energy, occupational health and safety policy that is aimed at complying with legislative requirements ensuring the safety of our employees and the people working at our facilities or under our management. The management regularly sets health and safety targets to continually reduce risk of harm to employees and visitors to operational facilities. We maintain an occupational health and safety management system that defines guiding principles and standards for occupational health and safety performance. We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We have implemented work safety measures to ensure a safe working environment at our facilities and to the general public. Such measures include general guidelines for health and safety at our offices and manufacturing facilities, such as accident reporting, wearing safety equipment, maintaining clean and orderly work locations and looking out for and reporting of hazardous situations to supervisors as part of accident prevention. We believe that we are in compliance with applicable health and safety laws and regulations

Corporate Social Responsibility




We believe that corporate social responsibility is an integral part of our operations and we are committed to make a difference to society. We have set up a Corporate Social Responsibility committee in compliance with the requirements of the Companies Act and the relevant rules. As part of our corporate social responsibility initiatives, Tasty Dairy Specialties Limited is carrying out Corporate Social Responsibilities since 2008 by the name of Pryaas & Aadhar. Recently, the company decided to carry on its service activities in a planned and methodical way and this gave birth to Pryaas Foundation. Pryaas Foundation is a name of effort for society welfare focused on improved quality of life through improvement of health, education, women empowerment, environment sanitation and other activities, where required. The company in its CSR work on eye testing, farmers training, water projects, medical help, vocational workshops, etc has a very positive image in the city of Kanpur and once retail products are introduced with focus can result in a very positive brand loyalty. We also focus on preventive health care measures and undertake activities to highlight the harmful effects of smoking. Further, we focus on animal welfare and provide food, medicines and fodder for cattle.

Competition

The dairy industry is highly competitive and we compete with regional and local companies as well as large multi-national companies. Our competitors across the various product segments and regions in which we operate include Gujarat Co-operative Milk Marketing Federation Limited (Amul), CP Milk Products Private Limited, Namaste India Foods Private Limited, Mother Dairy Fruit & Vegetable Private Limited, Nestle India Limited and Hatsun Agro Products limited, SMC Foods limited, Param Dairy Limited and Sterling Agro Industries Limited.

Intellectual Property

Our Company has applied for the following registration under the Trademark Act 1999 and Trademark Rule, 2003. The status of our application is as under:

| Sr. No | Logo | Date of Application | Application No. | Class | Status | Owned By |
|--------|---|---------------------|-----------------|-------|-----------------|------------------------------|
| 1 |  | 18/11/2017 | 3681375 | 29 | Marked for Exam | Tasty Dairy Specialities Ltd |
| 2 |  | 16/08/2012 | 2380648 | 29 | Objected | Verifresh Dairies Ltd |
| 3 |  | 28/01/1994 | 617982 | 29 | Registered | CIMA Foods Private Limited |

| | | | | | | |
|---|---|------------|---------|----|------------|------------|
| 4 |  | 02/01/2013 | 2453074 | 29 | Objected | Atul Mehra |
| 5 |  | 07/12/1993 | 613476 | 29 | Registered | Atul Mehra |
| 6 |  | 07/12/1993 | 613475 | 29 | Registered | Atul Mehra |

For Further details, see Chapter titled “Government and Other Approvals” on page 182.

Presently, our Company does not have a registered trademark of its own. Since our Company’s products are consumables, our Company requires a brand to market its products. Our Company has been marketing its products under the brand names like “UJJWAL”, “SHIKHAR”, “VERIFRESH”, "CIMA", and “MITHAI MASTER”. Our Company had entered into a Royalty Agreement with CIMA Foods Private Limited and Mr. Atul Mehra on April 01, 2009 and April 01, 2012 respectively for using this trademark for a period of Ten years and Seven years respectively. Our Company shall use, advertise and maintain the said trade mark, for Company’s business promotion and trading for a period of agreed years on payment of ₹265.00 Lakhs and till the time Royalty period expires, the royalty will be paid at 0.25% of the turnover and ₹300.00 Lakhs as interest free refundable security deposit as and when the proprietor demands the same. The amount of security deposit will be increased from time to time upto 1.25% of turnover which shall not exceed ₹500.00 Lakhs unless otherwise agreed between the parties respectively. In the event our Company is unable to get itself registered as the Registered User of the said trade mark or the Royalty Agreement is terminated or not renewed, our Company may not be able to use the said trade mark as its Registered User. However, until its name is entered on the trademark register, our Company cannot prohibit the use of such trademark by third parties by means of statutory protection. In the event of its trademark being subjected to any challenge or there being a delay in registration in future, our Company’s business and results of operations may be affected adversely.

Insurance

Our operations are subject to hazardous inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause loss of life, severe damage and destruction of property and equipment and environmental damage.

Our principal types of insurance coverage includes motor vehicle insurance, stock insurance, Building & plant and machinery, stock furniture and fixture insurance, standard fire and perils insurance, machinery breakdown insurance and burglary first loss insurance. Although we believe that the amount of insurance currently maintained by us and is in accordance with industry standards in India, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage.

Property

Our registered office is situated At D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209311 and is owned by U.P State Industrial Development Corporation Ltd. and is leased to our company pursuant to a leave and license agreement dated December 12, 2006. For Further details, see “Risk Factors” on page 14. Our Administrative office is situated at G-6, 12/483, Ratandham McRobert Ganj, Kanpur-208 001, UP.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations as prescribed by the Government of India or State Governments which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the Subscriber and is neither designed nor intended to be a substitute for professional legal advice.

I. Business Related Laws

The Micro, Small and Medium Enterprise Development Act, 2006.

The Micro, Small and Medium Enterprise Act, (“MSMED Act”) seeks to provide for the promotion and development along with facilitating and enhancing competition among micro, small and medium enterprises. The MSMED Act inter-alia empowers the Central Government to classify by notification, any class of enterprises including a company, a partnership, firm or any other undertaking engaged in the manufacture or production as specified in the first schedule to the Industries (Development and Regulation) Act, 1951, as follows:

- (i) A micro enterprise, where the investment in plant and machinery does not exceed ₹25,00,000/- (Rupees Twenty Five Lakhs Only);*
- (ii) A small enterprise, where the investment in plant and machinery is more than ₹25,00,000/- (Rupees Twenty Five Lakh Only) but does not exceed ₹5,00,00,000/- (Rupees Five Crores Only); or*
- (iii) A medium enterprise, where the investment in plant and machinery is more than ₹5,00,00,000/- (Rupees Five Crores Only) but does not exceed ₹10,00,00,000/- (Rupees Ten Crores Only).*

The MSMED Act also stipulates that any person who intends to establish, a micro or small enterprise or a medium enterprise engaged in rendering of services, may at his discretion and a medium enterprise engaged in the manufacture or production of goods as specified hereinabove, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority

The Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006 (“FSSA”), seeks to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels.

Under Section 31 of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. The enforcement of the FSSA is generally facilitated by ‘state commissioners of food safety’ and other officials at a local level.

Under Section 51 of the FSSA, any person who manufactures food sub-standard food for human consumption is liable to pay a penalty which may extend up to ₹5.00 lakh, FSSA has defined sub-standard as, an article of food which doesn’t meet the specified standards but not so as to render the article of food unsafe.

The provisions of the FSSA require every distributor to be able to identify any food article by its manufacturer, and every seller by its distributor that should be registered under the FSSA and every entity in the sector is bound to initiate recall procedures if it finds that the food marketed has violated specified standards. Food business operators are required to ensure that persons in his employment do not suffer from infectious or contagious diseases. The FSSA also imposes liabilities upon manufacturers, packers, wholesalers, distributors and sellers requiring them to ensure that *inter alia* unsafe and misbranded products are sold or supplied in the market.

In order to address certain specific aspects of the FSSA, the FSSAI has framed several regulations such as the following:

- a) Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;

- b) Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;
- c) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011;
- d) Food Safety and Standards (Packaging and Labelling) Regulations, 2011; and
- e) Food Safety and Standards (Prohibition and Restrictions on Sales) Regulations, 2011.

Food Safety and Standards Rules, 2011

The FSSAI has also framed the Food Safety and Standards Rules, 2011 (“**FSSR**”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis.

Export of Milk Products (Quality Control, Inspection and Monitoring) Rules, 2000

The Export of Milk Products Rules, 2000 (“**EMPR**”) was framed under Section 17 of the Export (Quality Control and Inspection) Act, 1963. In terms of Rule 3 of the EMPR, the responsibility to ensure that the milk products intended for export are processed under proper hygienic conditions lies with processors of such milk products. Exporters are required to meet prescribed health requirements under the Export of Milk Products Rules and to ensure that products conform to the specifications prescribed by the Central Government.

Export (Quality Control and Inspection) Act, 1963

The Export (Quality Control and Inspection) Act, 1963 (“**EQCI Act**”) provides for the development of the export trade of India by ensuring quality control by conducting inspection. Milk and milk products are notified commodities under the EQCI Act and require pre-shipment inspection and certification by Export Inspection Agencies, as identified under the EQCI Act.

The EQCI Act establishes the Export Inspection Council which advises the Central Government on matters regarding measures for enforcement of quality control and inspection in respect of commodities intended to be exported. An authorised officer under the EQCI Act has the power to enter, inspect and search the premises for concealed commodities and books of account providing for penal consequences in the event of any contravention of the provisions therein.

The Agricultural and Processed Foods Products Export Development Authority Act, 1985

The Agricultural and Processed Foods Product Export Development Authority Act, 1985 (“**APEDA Act**”) provides for establishment of Agricultural and Processed Food Products Export Development Authority (“**APEDA**”) for the development and promotion of export of certain agriculture and processed food products. Persons exporting scheduled products are required to be registered under the APEDA Act and are required to adhere to specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions.

Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by exporters of agricultural produce.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“**Legal Metrology Act**”) came into effect on January 14, 2010 and has repealed and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

The Legal Metrology Act provides that for prescribed specifications for all weights and measures used by an entity to be based on metric system only. Such weights and measures are required to be verified and re-verified periodically before usage. Under the provisions of the Legal Metrology Act, pre-packaged commodities are required to bear statutory declarations and entities are required to obtain a registration of the instruments used before import of any weight or measure. Approval of model is required before manufacture or import of any weight or measure. Without a license under the Legal metrology Act, weights or measures may not be manufactured, sold or repaired.

Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology (Packaged Commodities) Rules, 2011 (*the “Packaged Commodities Rules”*) was framed under section 52(2) (j) and (q) of the Legal Metrology Act and lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import. A “pre-packaged commodity” means a commodity which without the purchaser being present is placed in a package of a pre-determined quantity.

The key provisions of the Packaged Commodities Rules are:

- It is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed;
- All pre-packaged commodities must conform to the declarations provided thereon as per the requirement of section 18(1) of the Legal Metrology Act; and
- No pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules.

Bureau of Indian Standards Act, 1986

The Bureau of Indian Standards Act, 1986 (*“BIS Act”*) Act provides for the establishment of a bureau for the standardization, marking and quality certification of goods. 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.

II. Labour Laws

Factories Act, 1948

The Factories Act, 1948 (*“Factories Act”*) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term factory, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires *inter alia* the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (*“CLRA”*) is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after

giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("**EC Act**") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

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

Equal Remuneration Act, 1976

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

Maternity Benefit Act, 1961

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("**SHWW Act**") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more

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

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (“**PB Act**”) is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or ₹100 (One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. Allocable surplus is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“**MW Act**”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 (“**PG Act**”) applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply)

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 (“**PW Act**”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

III. Environment Laws

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 (“**EPA**”) is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 (“*Water Act*”) aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 (“*Air Act*”) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

IV. Tax Laws

Income Tax Act, 1961

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

The Central Goods and Services Tax Act, 2017 (the “GST Act”)

The Government of India proposed a comprehensive national goods and services tax (“*GST*”) regime that would combine taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (101 Amendment) Act 2016, which received presidential assent on September 8, 2016, enabled the Government of India and State Government to introduce GST. Accordingly, GST was enacted to make a provision for levy and collection of tax on supply of goods or services or both and was made effective from July 1, 2017.

GST is a destination based tax levied on supply of goods and services. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the Government of that State. For inter-State transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST will be levied on all stages of the supply chain till the final sale to consumers, providing ITC the supply chain. There will be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

The Uttar Pradesh Goods and Services Tax Act, 2017 is applicable to the State of Uttar Pradesh.

V. Intellectual Property Laws

The Copyright Act, 1957

The Copyright Act, 1957 (“*Copyright Act*”) governs copyright protection in India. Under the Copyright Act, a copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes *prima facie* evidence of the particulars entered therein and may expedite infringement proceedings. Once registered, copyright protection of a work lasts for a period of sixty years from the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which amounts to an infringement of copyright.

The Trade Marks Act, 1999

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trademark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after 10 (ten) years, the mark lapses and the registration have to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

The Patents Act, 1970

The Patents Act, 1970 (“**Patents Act**”) governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of the application for the patent.

VI. Other Laws

The Indian Contract Act, 1872

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

The Specific Relief Act, 1963

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

The Companies Act, 2013

The Companies Act, 2013 (“**CA 2013**”) has been introduced to replace the existing Companies Act, 1956 in a phased manner. The CA 2013 primarily regulates the formation, financing, functioning and winding up of companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy. The Ministry of Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the Companies Act, 2013.

Competition Act, 2002

The Competition Act, 2002 (“**Competition Act**”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India

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

The Consumer Protection Act, 1986

The Consumer Protection Act (“**COPRA**”) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provided for a three tier consumer grievance redressal mechanism at the national, state and district levels.

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (“**TP Act**”) as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Shops and Establishments Legislation

The provisions of shops and establishments legislations, as may be applicable in a state in which establishments are set up, regulate the conditions of work and employment and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work. Our Company has its registered office in the state of Uttar Pradesh. Accordingly, the provisions of the Uttar Pradesh Shops and Establishments Act, 1962 are applicable to our Company. The Uttar Pradesh Shops and Establishments Act, 1962 as amended, regulates the conditions of work in shops, commercial establishments, restaurants, theatres and other establishments in Uttar Pradesh and makes provisions for the opening and closing of shops, daily and weekly hours of work, employment of children and young persons, health and safety measures, wages etc.

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The department of Industrial Policy and Promotion (“**DIPP**”), has issued consolidated FDI Policy of 2017, which supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Reserve Bank of India (“**RBI**”) also issued Master Circulars on Foreign investment in India every year.

The Arbitration and Conciliation Act, 2015

The Arbitration and Conciliation Act (“**Arbitration Act**”) was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process. There are many provisions that also permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms

on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

OUR HISTORY AND OTHER CORPORATE MATTERS

Our Company was originally incorporated on July 30th, 1992, as “Tasty Dairy Specialities Private Limited” as a private limited Company under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kanpur & Nainital (Uttar Pradesh & Uttarakhand). Our Company was converted into a public Limited Company and accordingly the name of our Company was changed to Tasty Dairy Specialities Limited pursuant to a special resolution passed by our Shareholders at the EGM held on April 10, 2004. A fresh certificate of incorporation upon conversion to public limited company was issued on November 25, 2004 by Registrar of Companies, Kanpur, Uttar Pradesh. Our Corporate Identification Number is U15202UP1992PLC014593.

The promoters of our Company are Mr. Atul Mehra, Mr. Prem Nandan Mehra and Mrs. Sonia Mehra

Changes in our Registered Office:

Our Company’s Registered Office is currently situated at D-3, UPSIDC Industrial Area, Jainpur, Kanpur Dehat-209 311

Details of changes in the address of the Registered Office of our Company are set forth as under:

| Date of Change | From | To |
|---|---|---|
| As on the date of Incorporation 30/07/1992 | - | 2-A/244/4A Azad Nagar Kanpur- 208002 Uttar Pradesh |
| 07/06/1993 | 2-A/244/4A Azad Nagar Kanpur- 208002 Uttar Pradesh | 2A/237, Azad Nagar Kanpur 208002 Uttar Pradesh |
| 01/09/2004 | 2A/237, Azad Nagar Kanpur 208002 Uttar Pradesh | C-2 to C5 Udyog Kunj, panki site-V, Kanpur-208022, Uttar Pradesh |
| 04/05/2010 | C-2 to C5 Udyog Kunj, panki site-V, Kanpur-208022, Uttar Pradesh | C-1 to C5 Udyog Kunj, panki site-V, Kanpur -208022, Uttar Pradesh |
| 01/02/2014 | C-1 to C5 Udyog Kunj, panki site-V, Kanpur -208022, Uttar Pradesh | C-1, Udyog Kunj, panki site-V, Kanpur - 208022, Uttar Pradesh |
| 10/11/2016 | C-1, Udyog Kunj, panki site-V, Kanpur - 208022, Uttar Pradesh. | D-3, UPSIDC Industrial area, Jainpur, Kanpur Dehat, 209311, Uttar Pradesh |

Main Objects of our Company

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects of our Company are:

1. To carry on the business of manufactures, repackers, formulators, franchise holders, stockists, agents, importers, exporters, consignors, merchants and dealers of all types of food concentrates, instant food mixes, food compounds, ghee, baby food and all milk products, including skim milk powder and other materials, which may be used as food excluding or with other modifications or additions and all other food stuffs or products.
2. To manufacture, process, prepare, can, bottle, buy, sell and deal whether as retailers or wholesaler, exporter or importers, or as agents in food, egg, poultry vegetables and processed food, agro products, oils of every description for human or animal consumption.

Changes in the Memorandum of Association

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

| Date of shareholders resolution | Particulars |
|---------------------------------|---|
| April 10, 2004 | Authorised Share Capital of the Company increased from ₹4.00 Lakhs divided into 4,000 Equity Shares of ₹100/- each to ₹10.00 Lakhs divided into 1,00,000 Equity Shares of ₹100/- each |

| Date of shareholders resolution | Particulars |
|--|--|
| February 26, 2007 | Authorised Share Capital of the Company increased from ₹10.00 Lakhs divided into 10,000 Equity Shares of ₹100/- each to ₹150.00 Lakhs divided into 1,50,000 Equity Shares of ₹100/- each |
| March 25, 2010 | Authorised Share Capital of the Company increased from ₹150.00 Lakhs divided into 1,50,000 Equity Shares of ₹100/- each to ₹300.00 Lakhs divided into 3,00,000 Equity Shares of ₹100/- each. |
| November 20, 2012 | Authorised Share Capital of the Company increased from ₹300.00 Lakhs divided into 3,00,000 Equity Shares of ₹100/- each to ₹900.00 Lakhs divided into 9,00,000 Equity Shares of ₹100/- each. |
| September 25, 2017 | Authorised Share Capital of the Company increased from ₹900.00 Lakhs divided into 9,00,000 Equity Shares of ₹100/- each to ₹2400.00 Lakhs divided into 24,00,000 Equity Shares of ₹100/- each |
| September 30, 2017 | Company has Sub Divided its Equity shares of Face value of Rs 100/- per share into smaller amount of Face Value of Rs 10/- each. After considering sub-divison, Authorised share capital of the company is Rs 2400.00 lakhs divided into 2,40,00,000 Equity Shares of Rs 10/- each |

Major Events and Milestones

The table below sets forth the key events in the history of our Company:

| Year | Particulars |
|-------------|--|
| 1992 | Incorporation of the Company on July 30, 1992 |
| 2004 | Conversion of Tasty Dairy Specialities Private Limited to Tasty Dairy Specialities Limited (Private to Public) |
| 2009 | Production in our new milk processing unit situated at D3, UPSIDC Jainpur, Kanpur Dehat started |
| 2009 | Company received a CRISIL rating of SE-1B |
| 2009 | The Company launched its liquid milk brand Verifresh in poly pouches |
| 2010 | Company crossed Annual turnover of Rs 100 Crore in the year 2009-2010 |
| 2013 | CRISIL upgraded their rating on us as SE-1A |
| 2013 | Company crossed Annual turnover of Rs 200 Crore in the year 2012-2013 |
| 2014 | CRISIL upgraded our rating as SME-I |
| 2015 | Export Inspection Agency approved our facility for exports of Dairy products |
| 2016 | Company crossed Annual Turnover of INR 300 Crores in the year 2014-15 |
| 2016 | Company started exporting products to country Bangladesh for the first time. |
| 2017 | The Company has entered into MOU with PUM |

Certifications, Awards and Recognitions

We have received the following certifications, awards and recognitions for achieving and maintaining high standards in various aspects of our business

| Year | Certification/Award |
|-------------|---|
| 2004 | Our company received the Certificate of Importer Exporter Code bearing IEC 0605006881 dated December 13, 2004 issued by Foreign Trade Development Officer, Government of India |
| 2008 | Our Company was awarded with the Rajiv Gandhi National Quality Award, 2007 in recognizing Indian businesses for excellence in applying the principles of Total Quality Management |
| 2008 | Our Company was awarded with the Productivity Award from National Productivity council of India. |
| 2008 | Our Company received Four Star Category Certificate from Directorate of Industries, Uttar Pradesh |
| 2009 | Our Company received National MSME Award in recognition of outstanding performance from Government of India (MSME). Given by the former president Ms. Pratibha Patil. |
| 2010 | CRISIL published a book including the top 50 SME Companies which included the name of our Company. |

| | |
|------|--|
| 2010 | Our Company was awarded the Business Leadership Awards from Institute of Economic Studies |
| 2010 | Our Company was awarded the Udyog Patra Award from Institute of Trade and Industrial Development |
| 2012 | Our Company won the Certificate of Nomination for the first time for successful participation in the Nomination Phase of Leaders of Tomorrow Awards 2012 from India mart leaders of Tomorrow. |
| 2013 | Our Company received the Certificate of Appreciation for Exemplary and outstanding achievement in being adjudged the top 100 SMEs of India for the period of 2012-13 from BOI |
| 2014 | Our Company received the Certificate of Merit from PARLE in recognition of their exceptional performance towards consistent and quality supplies of Skimmed Milk Powder to our Manufacturing units during the year 2014 |
| 2016 | Our Company received the CSR Leadership Award from Global CSR Excellence & Leadership Awards. |
| 2016 | Our Company received a Certificate of authorisation for grading and marking (AGMARK) of 'Ghee' dated May 23, 2016, issued by the Senior Marketing Officer, Agriculture and farmer Development Ministry under the Agricultural Produce (Grading and Marking) Act, 1937. |
| 2016 | Our Company received registration cum membership certificate bearing number 153498 dated June 9, 2016 issued by Agricultural and Processed Food Products Export Development Authority ("APEDA") under the APEDA Act, 1985. The purpose of the certificate is registration as a manufacturer with the APEDA |
| 2017 | Our Company received Certificate of registration bearing registration number IRQS/1760612 dated July 3, 2017, issued by IRCLASS Systems and Solutions Private Limited stating that the food safety management system of our Company complies with the requirements of ISO 22000:2005 |
| 2017 | Our Company qualified for ISI quality certification symbol for its Skimmed Milk Powder – Extra Grade IS 13334 (pt.-1):2014 from Bureau of Indian Standard. |

Corporate Profile of our Company

For details regarding the description of our activities, including details of our business, geographical presence, growth, competition, products, technology, and managerial competence, please see sections entitled "*Our Business*", "*Our Management*" and "*Industry Overview*" beginning on pages 78, 108 and 69 respectively.

Revaluation of Assets

Our Company has not revalued any of its assets till date.

Holding Company of our Company

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

Subsidiary of our Company

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

Injunctions or Restraining Orders

There are no injunctions/ restraining orders that have been passed against our Company as on the date of filing of this Prospectus.

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

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings as on the date of this Prospectus.

Capital raising activities through Equity or Debt

For details of the equity capital raised by our Company, please refer to the chapter titled "*Capital Structure*" beginning on page 46 of this Prospectus. Our Company has not carried out any debt issuances or raised any long term debt except as describe in financial statements since incorporation till date of filing of this Prospectus. .

Changes in the Management

For details of change in Management Please refer to “*Our Management*” on page 108 of this Prospectus.

Shareholders Agreements

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

Strikes and Lock-Outs

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

Other Agreements

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

Collaboration

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

Strategic Partner

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

Financial Partner

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

Defaults or Rescheduling of Borrowings with Financial Institutions or Banks

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

Number of Shareholders

Our Company has seven (7) shareholders as on date of this Prospectus.

Time and Cost overruns

Our Company has implemented projects but has not, experienced any time or cost overrun in relation thereto.

Guarantees provided by our Promoters

Our Promoters have given guarantees to bank that are outstanding as on the date of filing of this Prospectus. For details of Guarantees provided by our Promoters Please refer to “*Risk Factors*” on page 14 of this Prospectus

OUR MANAGEMENT

Board of Directors

As per the Articles of Association, our Company is required to have not less than three (3) Directors and not more than Fifteen (15) Directors. Our Company currently has six (6) Directors on Board. The following table sets forth current details regarding our Board of Directors:

| Name, Father's Name, Address, Occupation, Nationality, Term & DIN | Age | Other Directorships |
|---|-----|---|
| <p>Mr. Atul Mehra</p> <p>Father's Name: Mr. Prem Nandan Mehra</p> <p>Designation: Chairman and Whole Time Director</p> <p>Term: For a term of 3 years with effect from April 1, 2017</p> <p>Address: 7/76-B Tilak Nagar, Nawabganj, Kanpur-208002</p> <p>Occupation: Business</p> <p>PAN: AJCPM 8777 F</p> <p>Nationality: Indian</p> <p>DIN: 00811607</p> | 55 | <p>(i) CIMA Dairy and Foods Limited</p> <p>(ii) Stock Options Xpress Private Limited</p> <p>(iii) CIMA Foods Private Limited</p> <p>(iv) Grow Home Developers Private Limited</p> |
| <p>Mr. Prem Nandan Mehra</p> <p>Fathers Name: Mr. Basdeoki Nandan Mehra</p> <p>Designation: Executive Director</p> <p>Date of Appointment: July 30, 1992</p> <p>Term: Liable to retire by Rotation Retire and Reappointed on 30th September, 2017.</p> <p>Address: 2A/410, Azad Nagar, Kanpur- 208002</p> <p>Occupation: Business</p> <p>PAN: AAUPM 3094 L</p> <p>Nationality: Indian</p> <p>DIN: 01036877</p> | 80 | NIL |
| <p>Mr. Mahendra Kumar Singh</p> <p>Father's Name: Mr. Samar Bahadur Singh</p> <p>Designation: Executive Director</p> <p>Date of Appointment: August 10, 2009</p> | 55 | <p>(i) CIMA Dairy And Foods Limited</p> <p>(ii) Shri Gopalji Niketan Private Limited</p> <p>(iii) Grow Home Developers Private Limited</p> |

| | | |
|--|----|-----|
| <p>Term: Liable to retire by rotation. Retire and Reappointed on 29th September, 2016.</p> <p>Address: 1, H-1, Dabouli, Udyog Nagar, Kanpur-208022</p> <p>Occupation: Professional</p> <p>PAN: BZTPS 3661 Q</p> <p>Nationality: Indian</p> <p>DIN: 02727150</p> | | |
| <p>Mr. Narendra Shankar Sathe</p> <p>Father's Name: Mr. Shankar Neelkanth Sathe</p> <p>Designation: Non-Executive and Independent Director</p> <p>Date of Appointment: May 28, 2015</p> <p>Term: Appointed as Independent Director for the period of 5 year</p> <p>Address: Flat No 304, Vaishno Apartment 3A/152, Azadnagar, Nawabganj Katarijiyora Kanpur- 208002</p> <p>Occupation: Professional</p> <p>PAN: AGIPS 4454 J</p> <p>Nationality: Indian</p> <p>DIN: 07195257</p> | 55 | NIL |
| <p>Mr. Neeraj Kanodia</p> <p>Father's Name: Mr. Shyam Sundar Kanodia</p> <p>Designation: Non-Executive and Independent Director</p> <p>Date of Appointment: May 28, 2015</p> <p>Term: Appointed as Independent Director for the period of 5 year</p> <p>Address: 6, Tulsa Enclave, 4/281 Parwati Bangla Road, Old Kanpur, Kanpur-208002</p> <p>Occupation: Professional</p> <p>PAN: ABBPK 1491 R</p> <p>Nationality: Indian</p> <p>DIN: 07195262</p> | 57 | NIL |

| | | |
|---|----|-----|
| Mrs. Vimi Sinha Father's Name: Mr. Virendra Srivastava Designation: Non-Executive and Women Director Date of Appointment: October 24, 2015 Term: Appointed as Independent Director for the period of 5 year Address: Flat No 804 Nageshwar Villa 7/1905, Swaroop Nagar, Kanpur-208002 Occupation: Professional PAN: AXCPS 9933 K Nationality: Indian DIN: 07311247 | 50 | NIL |
|---|----|-----|

Note:

As on the date of this Prospectus:

- 1) None of the above mentioned Directors are on the RBI List of willful defaulters.
- 2) Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing this Prospectus or (b) delisted from the stock exchanges.
- 3) None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Brief Biographies of our Directors

Mr. Atul Mehra, aged 55, is the Promoter, Chairman and Whole Time Director of our Company. He holds a Bachelor's degree in Mechanical engineer from H.B.T.I., Kanpur and has completed various courses from different academies which include CPM from IIT Mumbai, Lead Auditor course in Food Safety and HACCP from Bureau of Indian Standards. He possesses over 25 years of professional experience in the dairy industry. He is the Past Chairman at Uttar Pradesh State Council of Confederation of Indian Industries, life member of Indian Dairy Association, and Ex-President of Rotary club of Kanpur Industrial. He provides his overall domain knowledge to the employees of our Company. He also looks after the day to day affairs of our Company.

Mr. Prem Nandan Mehra aged 80 years, is the Promoter and Executive Director of our Company. He holds a Bachelor's degree in Science from Agra University. He possesses an experience of 61 years in pharmaceuticals and in dairy industry. He is regarded as a father figure for the entire workforce by his employees.

Mr. Mahendra Kumar Singh aged 55 years, is the Executive Director of our company, appointed as a director to the Board on August 10, 2009. He holds a Bachelors degree of Science degree in Agriculture and Masters of Science degree in Agriculture with major rural banking and agricultural economics from Pantnagar, Dist. Nainital (formerly known as U.P Agricultural University).He possesses an experience of 32 years in the dairy industry. With his background of education in agriculture and his vast experience in the dairy line he plays an important part in the working of the company.

Mr. Narendra Shankar Sathe aged 55 years, is the Non-Executive Director and Independent Director of our Company and was appointed on our Board on May 28, 2015. He holds a Bachelor's degree in Science from Christ Church College at Kanpur University.

Mr. Neeraj Kanodia aged 57 years, is the Non-Executive Director and Independent Director of our Company and was appointed on our Board on May 28, 2015. He holds a Bachelor's degree in Commerce from Kanpur University.

Mrs. Vimi Sinha aged 50 years, is the Non-Executive Director and Independent Women Director of our Company and was appointed on our Board on October 24, 2015. She holds a Bachelor's degree in Commerce from Kanpur University.

Confirmations

There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such Company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such Company.

Nature of Family Relationship among Directors

Mr. Atul Mehra is a son of Mr. Prem Nandan Mehra and hence they are relatives within the meaning of section 2(77) of the Companies Act, 2013.

Borrowing Powers of the Board

In accordance with the Articles of Association and pursuant to the EGM of our Company held on September 25, 2017, the Board is authorised to borrow money, mortgage, hypothecate and/or charge all of our Company's immovable and movable properties, present and future, in such sum form or manner as the Board may think fit for securing loans already obtained or that may be obtained from our Company's banker or any other banks, financial institution or any other lending institutions or persons, provided that the total amount of money or monies so borrowed (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), by our Company shall not, at any time, exceed the ₹8000 Crores.

Remuneration to our Directors

Details of remuneration paid to our Directors during fiscal 2017 are set for the in the table below:

| Sr. No. | Name of Director | Remuneration (₹ in Lakhs) |
|----------------|--------------------------|----------------------------------|
| 1) | Mr. Atul Mehra | 60.00 |
| 2) | Mr. Prem Nandan Mehra | 1.44 |
| 3) | Mr. Mahendra Kumar Singh | 3.00 |

Terms of Appointment of our Directors

Executive Directors

| | |
|--------------------|------------------------------|
| Name | Mr. Prem Nandan Mehra |
| Designation | Executive Director |
| Term | Liable to Retire By Rotation |

| | |
|---------------------|--|
| Remuneration | ₹1.44 Lakh per annum (including perquisites) |
|---------------------|--|

| | |
|---------------------|--|
| Name | Mr. Mahendra Kumar Singh |
| Designation | Executive Director |
| Term | Liable to Retire By Rotation |
| Remuneration | ₹3.00 Lakh per annum (including perquisites) |

Mr. Atul Mehra was appointed as the Whole Time Director of our Company pursuant to the resolution passed by our Board on March 06, 2017 and approved by the shareholders in the EGM held on March 31, 2017.

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

Non-Executive Directors

Currently, non-executive Directors are not being paid any remuneration apart from payment of sitting fees. We also confirm that no remuneration being paid to Independent Directors apart from payment of sitting fees.

Shareholding of Directors in our Company

Other than the following, none of our Directors holds any Equity Shares as of the date of filing this Prospectus:

| Name of Director | Number of Equity Shares held | Percentage of pre-Issue capital |
|----------------------------|------------------------------|---------------------------------|
| Mr. Atul Mehra | 14,79,000 | 9.86% |
| Mr. Prem Nandan Mehra | 15,000 | 0.10% |
| Mr. Narendra Shankar Sathe | 1,500 | 0.01% |

Our Directors do not hold any outstanding vested options, pursuant to the employee stock option scheme implemented by our Company.

Our Articles of Association do not require our Directors to hold any qualification shares.

Changes in our Board of Directors during the last three (3) years

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

| Name | Date of appointment/change/cessation | Reason |
|----------------------------|--------------------------------------|--|
| Mr. Atul Mehra | September 30, 2017 | Appointed as Chairman and Whole Time Director. |
| Mr. Prem Nandan Mehra | September 30, 2017 | Appointed as Executive Director |
| Mr. Mahendra Kumar Singh | September 29, 2017 | Appointed as Executive director |
| Mr. Narendra Shankar Sathe | May 28, 2015 | Appointed as an Independent Director |
| Mr. Neeraj Kanodia | May 28, 2015 | Appointed as an Independent Director |
| Mrs. Vimi Sinha | October 24, 2015 | Appointed as a Professional Women Director |
| Mrs. Vimi Sinha | September 30, 2017 | Re-designated as an Independent Women Director |

Interest of Directors

Our 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 Directors, please refer “*Remuneration to our Directors*” above.

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 promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue.

Except as stated in the chapter titled “*Related Party Transactions*” on page 158 of this Prospectus, our Directors do not have any other interest in the business of our Company.

Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

Corporate Governance

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of Six Directors (including one woman Director).

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- 1.) Audit Committee;
- 2.) Nomination and Remuneration Committee;
- 3.) Stakeholders’ Relationship Committee;
- 4.) Corporate Social Responsibility Committee;

Details of each of these committees are as follows:

1.) Audit Committee;

Our Audit Committee was constituted pursuant to resolution of our Board dated June 29, 2015. The Audit Committee comprises of the following:

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|----------------|-----------------------------|---------------|-------------------------------------|
| 1) | Mr. Neeraj Kanodia | Chairman | Non-Executive &Independent Director |
| 2) | Mr. Prem Nandan Mehra | Member | Executive Director |
| 3) | Mr. Narendra Shankar Sathe | Member | Non-Executive &Independent Director |

The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C SEBI (LODR) Regulations, 2015

The role of the audit committee shall include the following:

- (a.) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b.) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (c.) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d.) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (i.) 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;
 - (ii.) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii.) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv.) significant adjustments made in the financial statements arising out of audit findings;
 - (v.) compliance with listing and other legal requirements relating to financial statements;
 - (vi.) disclosure of any related party transactions;
 - (vii.) modified opinion(s) in the draft audit report;
- (e.) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (f.) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (g.) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h.) approval or any subsequent modification of transactions of the listed entity with related parties;
- (i.) scrutiny of inter-corporate loans and investments;
- (j.) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (k.) evaluation of internal financial controls and risk management systems;
- (l.) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (m.) 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;
- (n.) discussion with internal auditors of any significant findings and follow up there on;
- (o.) 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;

- (p.) 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;
- (q.) 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;
- (r.) to review the functioning of the whistle blower mechanism;
- (s.) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (t.) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

- (a.) management discussion and analysis of financial condition and results of operations;
- (b.) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (c.) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (d.) internal audit reports relating to internal control weaknesses; and
- (e.) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (f.) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

2.) Nomination and Remuneration Committee

The Nomination and Remuneration committee was Re-constituted by a resolution of our Board dated October 10, 2015. The constitution of the Nomination and Remuneration committee presently is as follows:

| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|----------------------------|----------|-------------------------------------|
| 1. | Mr. Narendra Shankar Sathe | Chairman | Non-Executive &Independent Director |
| 2. | Mr. Neeraj Kanodia | Member | Non-Executive &Independent Director |
| 3. | Mrs. Vimi Sinha | Member | Non-Executive &Independent Director |

The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Nomination and Remuneration Committee shall include the following:

- (a.) 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;
- (b.) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (c.) Devising a policy on diversity of board of directors;

- (d.) 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.
- (e.) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

3.) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated September 18, 2017. The constitution of the Stakeholders' Relationship committee is as follows:

| S. N. | Name of the Director | Status | Nature of Directorship |
|-------|----------------------------|----------|-------------------------------------|
| 1. | Mr. Narendra Shankar Sathe | Chairman | Non-Executive &Independent Director |
| 2. | Mr. Neeraj Kanodia | Member | Non-Executive &Independent Director |
| 3. | Mrs. Vimi Sinha | Member | Non-Executive &Independent Director |
| 4. | Mr. Atul Mehra | Member | Whole Time Director |
| 5. | Mr. Mahendra Kumar Singh | Member | Non-Executive Director |

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

This Committee is responsible for the redressal of the grievances of the security holders including complaints relate to transfer of shares, non-receipt of annual report and non-receipt of dividend. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act read with Regulation 20 of the Listing Regulations.

4.) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated June 29, 2015. The constitution of Corporate Social Responsibility Committee is as follows-

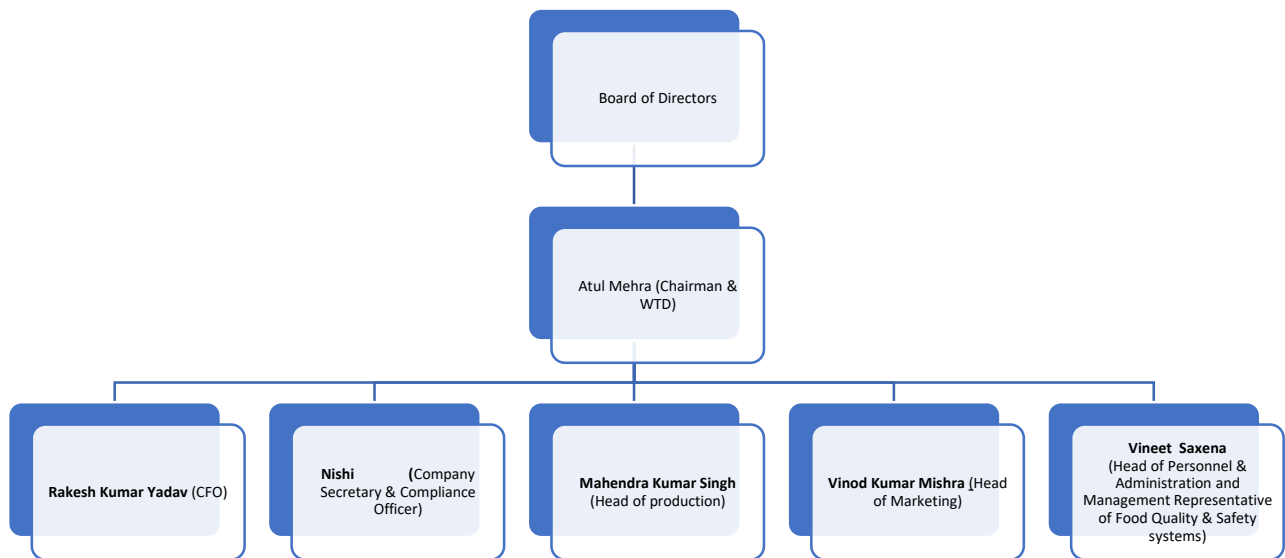
| Sr. No. | Name of the Director | Status | Nature of Directorship |
|---------|----------------------------|----------|-------------------------------------|
| 1) | Mr. Atul Mehra | Chairman | Whole time Director |
| 2) | Mr. Narendra Shankar Sathe | Member | Non-Executive &Independent Director |
| 3) | Mr. Neeraj Kanodia | Member | Non-Executive &Independent Director |

The CSR Committee was constituted by our Board on June 29, 2015. The scope and function of the CSR Committee is in accordance with Section 135 of the Companies Act, 2013. The terms of reference of the CSR Committee include the following:

- 1) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as specified in Schedule VII to the Companies Act, 2013;
- 2) Recommend the amount of expenditure to be incurred on activities to be undertaken by our Company;
- 3) Monitor the Corporate Social Responsibility Policy of our Company from time to time;
- 4) Ensure the compliance of the Company with respect of CSR provisions as per the applicable laws of the land; and
- 5) Any other matter as the Corporate Social Responsibility 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.

Our Company has adopted the following policies:

- 1) Code of Conduct
- 2) Whistle Blower Policy & Vigil Mechanism
- 3) Related Party Transactions (RTP) Policy
- 4) Policy for Prevention of Sexual Harassment



Our Key Managerial Personnel

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

In addition to our Chairman and Whole Time Director Mr. Atul Mehra, following key personnel assist the management of our Company:

Brief Profile of Key Managerial Personnel:

Mr. Rakesh Kumar Yadav aged 44 years, is the Chief Financial Officer of our Company and is associated with our Company since July 19, 2007. He hold a Master’s degree in Commerce from the Awadhesh Pratap Singh Vishwa Vidhalaya Rewa, Madhya Pradesh University. He is responsible for overseeing the corporate finance, accounts, and financial projections of our Company. He looks after the day to day accounting system, tax and other liasioning work with various Government authorities.

Ms. Nishi, aged 24 years is Company Secretary & Compliance Officer of our Company and is associated with our Company from August 19, 2017. She is an associate member of Institute of Companies Secretaries of India and she holds a certificate in Business Basics from The Institute of Chartered Financial Analyst of India University, Sikkim. Her scope of work and responsibilities include vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act, 2013.

Mr. Mahendra Kumar Singh aged 55 years, is the Executive Director of our company and Head of production, appointed as a director to the Board on August 10, 2009. He holds a Bachelors degree of Science degree in Agriculture and Masters of Science degree in Agriculture with major rural banking and agricultural economics from Pantnagar, Dist. Nainital (formerly known as U.P Agricultural University). He possesses an experience of 32 years in the dairy industry. With his background of education in agriculture and his vast experience in the dairy line he plays an important part in the working of the company.

Mr. Vinod Mishra aged 57 years, is the Head of Marketing of our Company. He holds a Bachelor’s degree in Art from Kanpur University. He is responsible for the overall company business strategy, brand and category development and route to market strategy.

Mr. Vineet Saxena aged 43 years, is the Head of Personnel & Administration, Management Representative (Food Quality & Safety Systems) of our Company. He holds a Master’s degree in Business Administration from Kanpur

University. He is responsible for strategic planning of various operations of our Company.

For details of our Directors please refer chapter “Our Management” on page 108 of this Prospectus.

Status of Key Managerial Personnel

All our Key managerial personnel are permanent employees of our Company.

Family Relationship between Key Managerial Personnel

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

Arrangements and Understanding with major Shareholders

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

Shareholding of the Key Managerial Personnel

Except Mr. Atul Mehra, Chairman and Whole Time Director of the Company holding 14,79,000 Equity Shares, as on date, none of the key managerial persons are holding Equity Shares of our Company.

Bonus or Profit Sharing Plan for the Key Managerial Personnel

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

Loans to Key Managerial Personnel

There is no loan outstanding against key managerial personnel as on date of this Prospectus.

Interest of Key Managerial Personnel

Except Mr. Atul Mehra, Chairman and Whole Time Director and Mr Mahendra Kumar Singh Executive Director, the Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Prospectus, none of our Key Managerial Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in Key Managerial Personnel of our Company during the Last Three (3) Years

For details of changes regarding our Promoter and Managing Director during last three years please refer chapter titled “*Our Management*” on page 108 of this Prospectus.

Set forth below are the changes in the key managerial personnel of our Company during the last three (3) years.

| Name | Date of appointment | Date of cessation | Reason |
|------------------------|----------------------------|--------------------------|---|
| Mr. Deepak Sinha | May 05, 2015 | February 29, 2016 | Appointment as Company Secretary and resigned |
| Mr. Kawalpreet Arora | January 30, 2017 | August 10, 2017 | Appointment as Company Secretary and resigned |
| Ms. Nishi | August 21, 2017 | - | Appointment as Company Secretary |
| Mr. Rakesh Kumar Yadav | October 10, 2017 | | Appointment as CFO |

Employees Stock Option Scheme

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

Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

Employees


The details about our employees appear under the Paragraph titled “*Business Overview*” beginning on page 78 of this Prospectus.

OUR PROMOTERS/PROMOTER GROUP

The Promoters of our Company are:


- 1.) Mr. Atul Mehra
- 2.) Mr. Prem Nandan Mehra
- 3.) Mrs. Sonia Mehra

- 1.) Mr. Atul Mehra

| | |
|---|--|
|  | <p>Mr. Atul Mehra, aged 55, is the Promoter and Whole Time Director of our Company and has been a Director since the inception of our Company. He holds a Bachelor's degree in Mechanical engineer from H.B.T.I., Kanpur and has completed various courses from different academies which include CPM from IIT Mumbai, Lead Auditor course in Food Safety and HACCP from Bureau of Indian Standards. He possesses over 25 years of professional experience in the dairy industry. He is the Past Chairman at Uttar Pradesh State Council of Confederation of Indian Industries, life member of Indian Dairy Association, and Ex-President of Rotary club of Kanpur Industrial. He provides his overall domain knowledge to the employees of our Company. He also looks after the day to day affairs of our Company.</p> |
|---|--|


| | |
|---------------------------------|--|
| Address | 7/76-B Tilak Nagar, Swaroop Nagar, Kanpur-208002 |
| Occupation | Business |
| Permanent Account Number | AJCPM8777F |
| Passport Number | P0839188 |
| Driving License Number | UP78 19880007382 |
| Aadhar Card Number | 620475643086 |

- 2.) Mr. Prem Nandan Mehra

| | |
|---|---|
|  | <p>Mr. Prem Nandan Mehra aged 80 years, is the Promoter and Executive Director of our Company and has been a Director since the inception of the Company. He hold a Bachelor's degree in Science from Agra University. He possesses an experience of 61 years in dairy industry and medical business. In 1956, prior to the incorporation of our Company, he has also gained experience in retail business. He is regarded as a father figure for the entire workforce by his employees.</p> |
|---|---|

| | |
|---------------------------------|------------------------------------|
| Address | 2A/410, Azad Nagar, Kanpur, 208002 |
| Occupation | Business |
| Permanent Account Number | AAUPM3094L |
| Passport Number | K5313798 |
| Aadhar Card Number | 844614252605 |

3.) Mrs. Sonia Mehra

| | |
|---|--|
|  | Mrs. Sonia Mehra aged 50 years, is the Promoter of the Company. She holds a Master's degree in Science from Kanpur University. She has more than 25 years of experience in Food Products Business, Dairy, Milk & Milk Products and Business Administration |
|---|--|

| | |
|---------------------------------|--|
| Address | 7/76-B Tilak Nagar, Swaroop Nagar, Kanpur-208002 |
| Occupation | Business |
| Permanent Account Number | AJCPM8776E |
| Passport Number | P2322385 |
| Driving License Number | UP7819940013981 |
| Aadhar Card Number | 930214497364 |

Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank account number and Passport number of the Promoters will be submitted to the SME platform of BSE Exchange, where the equity shares of our Company are proposed to be listed at the time of submission of this Prospectus.

Common Pursuits of our Promoters

Except as mentioned below our Promoter has not promoted any business which is engaged in the line of similar to our Company as on the date of this Prospectus.

| Name of the owner | Place of Property | Rent | Time Period |
|-------------------|-------------------------|--------|-------------|
| Atul Mehra | (i) Delhi | 12,500 | 11 Months |
| | (ii) Bhiwadi(Rajasthan) | 7,500 | |
| Sonia Mehra | Kanpur | 9,000 | 11 Months |

For more details please refer to our chapter titled “*Our Promoters and Promoter Group*” & “*Group Companies/Entities*” on page 120 & 125 of this Prospectus respectively. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

Interest of the Promoters

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. For details on shareholding of our Promoter in our Company, please refer sections “*Capital Structure*” and “*Our Management*” on pages 46 and 108 respectively of this Prospectus.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “*Annexure-XVII of Related Party Transactions*” appearing under section titled “*Financial Information*” of the Company beginning on page 132 of this Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Interest in the property of Our Company

Our Promoters, Mr. Atul Mehra and Mrs. Sonia Mehra have rented their property to our Company pursuant to a rent agreement which is valid for 11 months and renewed further, except that no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of this Prospectus.

Payment amounts or benefit to our Promoters during the last two years

Our Company has occupied following properties for their business purpose:

| Name of the owner | Place of Property | Rent | Time Period |
|--------------------------|--------------------------|-------------|--------------------|
| Atul Mehra | (i) Delhi | 12,500 | 11 Months |
| | (ii) Bhiwadi(Rajasthan) | 7,500 | 11 Months |
| Sonia Mehra | Kanpur | 9,000 | 11 Months |

Owned by Mr. Atul Mehra and Mrs. Sonia Mehra and is rented to our company pursuant to a rent agreement dated April 1st, 2017, which is valid for 11 months and renewed further. In terms of the said agreement, our company is to pay Rs 20,000 to Mr. Atul Mehra and ₹9,000 Mrs. Sonia Mehra as a rent except as mentioned / referred to in this chapter and in the chapter titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 108, 132 and 46 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit sharing plan for our Promoters.

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 175 of this Prospectus. Our Promoters have not been declared willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

Other ventures of our Promoters

Save and except as disclosed in the chapter titled “*Our Promoters and Promoter Group*” and “*Group Companies / Entities*” beginning on page 120 & 125 respectively of this Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “*Outstanding Litigations and Material Developments*” on page 175 of this Prospectus.

Shareholding of the Promoters and Promoter Group in our Company

Except as disclosed in our chapter titled “*Capital Structure*”, none of the members of our Promoter Group hold any Equity Shares as on the date of filing of this Prospectus.

Related Party Transactions

For the transactions with our Promoter Group entities, please refer to chapter titled “*Related Party Transactions*” on page 158 of this Prospectus.

Except as stated in “*Related Party Transactions*” on page 158 of this Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

Companies with which the Promoters are disassociated in the last three years

Except as disclosed in the chapter titled ‘Risk Factor’ and ‘Outstanding Litigation and Other Material development’ beginning on page provided below, our Promoters have not disassociated themselves from any companies during the three years preceding the date of this Prospectus.

| Sr. No. | Name of the disassociated entity | Reasons and circumstances leading to the disassociation and terms of disassociation | Date of Disassociation |
|---------|---------------------------------------|--|------------------------|
| 1.) | Verifresh Dairies Limited | Atul Mehra resigned from the directorship as he was more occupied with the management and operation of our Company. | October 18, 2016 |
| 2.) | Bhiwadi Milk Products Private Limited | Atul Mehra resigned from the directorship as he was more occupied with the management and operation of our Company. For more details, please refer to chapter title 'Outstanding Litigation and Other Material development'. | October 30, 2015 |

Our Promoter Group

In addition to the Promoters of our Company, the following individuals and entities form a part of the Promoter Group.

1.) Individuals forming part of Promoter Group

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI (ICDR) Regulations

| Promoter/ Promoter Group | Atul Mehra | Prem Nandan Mehra | Sonia Mehra | Arpit Mehra | Devika Mehra |
|--------------------------------|-------------------------------|--|-------------------------------|--|--|
| Father | Shri Prem Nandan Mehra | Late. Shri Basdeoki Nandan Mehra | Late. Mr. Kailash Nath Tandon | Mr. Atul Mehra | Mr. Ravi Kapoor |
| Mother | Smt. Veena Mehra | Late. Smt. Rani Devi Mehra | Mrs. Daya Tandon | Mrs. Sonia Mehra | Mrs. Vijay Kapoor |
| Spouse | Mrs. Sonia Mehra | Smt. Veena Mehra | Mr. Atul Mehra | Mrs. Devika Mehra | Mr. Arpit Mehra |
| Brother(s) | Mr. Anuj Mehra | Late. Shri Girish Nandan Mehra | NA | NA | NA |
| Sister(s) | Mrs. Ragini Tandon | Late. Smt. Meena Khanna, Smt. Rajni Kapoor | Mrs. Shalini Bhalla | Ms. Sonalika Mehra | Mrs. Smita Kapoor Mrs. Saumya Khurana |
| Son | Mr. Arpit Mehra | Mr. Atul Mehra Mr. Anuj Mehra | Mr. Arpit Mehra | NA | NA |
| Daughter(s) | Ms. Sonalika Mehra | Mrs. Ragini Tandon | Ms. Sonalika Mehra | NA | NA |
| Spouse Father | Late. Mr. Kailash Nath Tandon | Late. Shri Mahesh Chandra Mehrotra | Shri Prem Nandan Mehra | Mr. Ravi Kapoor | Mr. Atul Mehra |
| Spouse Mother | Mrs. Daya Tandon | Late Mrs. Laxmidevi Mehrotra | Smt. Veena Mehra | Mrs. Vijay Kapoor | Mrs. Sonia Mehra |
| Spouse Brother(s) | NA | Late. Shri Anoop Mehrotra, Lt. Shri Ashok Mehrotra | Mr. Anuj Mehra | NA | NA |
| Spouse Sister(s) | Mrs. Shalini Bhalla | Mrs. Indu Kapoor Mrs. Uma Baijal | Mrs. Ragini Tandon | Mrs. Smita Kapoor Mrs. Saumya Khurana | Ms. Sonalika Mehra |

2.) Entities forming part of the Promoter Group

The following entities form part of our Promoter Group pursuant to the terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

CIMA Dairy and Foods Limited
CIMA Foods Private limited

Verifresh Dairies Limited
Grow Home Developers private limited
Stock Option Xpress private limited
Agrim Foods LLP

3.) Payment of benefits to Promoter Group

No payment has been made or benefit given to our Promoter Group in the two years preceding the date of this Prospectus except as mentioned / referred to in this chapter and in the chapter titled “*Our Management*”, “*Financial Information*” and “*Capital Structure*” on page nos. 108, 132 and 46 respectively of this Prospectus

Group Companies/Entities

Pursuant to the requirement of SEBI ICDR Regulations, the Group Companies includes entities covered under the applicable accounting standards, being AS 18 (as identified under the Restated Financial Statements) and also other entities as considered material by the Board of the Company.

As per Materiality Policy on Group Companies approved in the meeting of the Board of Directors of our company held on September 18, 2017, the Group Company shall be considered material for the purpose of disclosure in this Prospectus of the Company if such Company /Entity is included in the list of related parties under AS 18 (as identified under the restated financial statements) and such Company/entity is part of Promoter Group in terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

| Sr. No. | Name of Entity | Status |
|---------|--------------------------------------|-----------------|
| 1.) | CIMA Dairy and Foods Limited | Public Company |
| 2.) | CIMA Foods Private limited | Private Company |
| 3.) | Verifresh Dairies Limited | Public Company |
| 4.) | Grow Home Developers Private Limited | Private Company |
| 5.) | Stock Option Xpress Private Limited | Private Company |
| 6.) | Agrim Food LLP | LLP |

GROUP ENTITIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India. Our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature.

Listed Companies within our Promoter Group:

There is no listed Group Company.

Unlisted Companies within our Promoter Group:

The details of our Group Companies are provided below:

- 1) CIMA Dairy & Foods Limited
- 2) CIMA Foods Private Limited
- 3) Verifresh Dairies Limited
- 4) Stock Options Xpress Private Limited
- 5) Grow Home Developers Private Limited

Following are the details of our unlisted Group Companies:

1) CIMA Dairy & Foods Limited (CIMA)

Corporate Information:

CIMA Dairy & Foods Limited is a limited company incorporated on April 13, 2005 under the provisions of Companies Act, 1956 and has its Registered Office at G-6, 12/483, Ratandham McRobert Ganj, Kanpur. The current paid up capital of ₹24.00 Lakhs. The Corporate Identification Number is U15209UP2005PLC029837.

CIMA is involved in the business of manufacturers, re-packers, formulators, franchise-holders, stockists, agents, importers, exporters, consignors, merchants and dealers of all types of foods concentrates, instant food mixes, food compounds, ghee, baby food and all milk products, including skim milk powder and other materials, which may be used as food excluding or with other modifications or additions and all other food stuff or products.

Board of Directors:

| Sr. No. | Name of the Director | Designation |
|---------|--------------------------|------------------------|
| 1) | Mr. Atul Mehra | Non-Executive Director |
| 2) | Mr. Vineet Saxsena | Non-Executive Director |
| 3) | Mr. Mahendra Kumar Singh | Non-Executive Director |

Shareholding as on date of this Prospectus:

| Sr. No. | Name of the Shareholder | No of Shares held | % of total Paid-up Capital |
|---------|--------------------------|-------------------|----------------------------|
| 1) | Mr. Atul Mehra | 23,880 | 99.500 |
| 2) | Mrs. Sonia Mehra | 20 | 0.083 |
| 3) | Mr. Vineet Saxsena | 20 | 0.083 |
| 4) | Mr. Prem Nandan Mehra | 20 | 0.083 |
| 5) | Mr. Anuj Mehta | 20 | 0.083 |
| 6) | Mr. Narendra Kumar Sathe | 20 | 0.083 |
| 7) | Mr. Arpit Mehra | 20 | 0.083 |
| | TOTAL | 24,000 | 100.00 |

Audited financial information:

(₹ in Lakhs)

| Particulars | 2014-15 | 2015-16 | 2016-17 |
|--------------------|---------|---------|---------|
| Paid Up Capital | 24.00 | 24.00 | 24.00 |
| Reserves & Surplus | 125.51 | 137.60 | 131.03 |
| Net Asset Value | 151.54 | 163.60 | 156.97 |

2) CIMA Foods Private Limited

Corporate Information:

CIMA Foods Private Limited is a Private Company incorporated on August 12, 1988 under the provisions of Companies Act, 1956 and has its Registered Office at 117/O/64, PLOT NO 22, Geeta Nagar, Kanpur. The current paid up capital of ₹10.00 Lakhs. The Corporate Identification Number is U51109UP1988PTC009918.

CIMA is involved in the business of manufacturers, re-packers, formulators, franchise-holders, stockists, agents, importers, exporters, consignors, merchants and dealers of all types of foods concentrates, instant food mixes, food compounds, ghee, baby food and all milk products, including skim milk powder and other materials, which may be used as food excluding or with other modifications or additions and all other food stuff or products.

Board of Directors:

| Sr. No. | Name of the Director | Designation |
|---------|----------------------|------------------------|
| 1) | Mr. Atul Mehra | Non-Executive Director |
| 2) | Mrs. Sonia Mehra | Non-Executive Director |

Shareholding as on date of this Prospectus:

| Sr. No. | Name of the Shareholder | No of Shares held | % of total Paid-up Capital |
|---------|-------------------------|-------------------|----------------------------|
| 1) | Mr. Atul Mehra | 39,998 | 40.00 |
| 2) | Mrs. Sonia Mehra | 9,000 | 9.00 |
| 3) | Ms. Sonalika Mehra | 1 | Negligible |
| 4) | Mr. Arpit Mehra | 51,001 | 51.00 |
| | TOTAL | 1,00,000 | 100.00 |

3) Verifresh Dairies Limited

Corporate Information:

Verifresh Dairies Limited is a limited company incorporated on February 19, 2007 under the provisions of Companies Act, 1956 and has its Registered Office at G-6, 12/483, Ratandham Apartment, McRobert Ganj, Kanpur-208 001. The current paid up capital of ₹5.00 Lakhs. The Corporate Identification Number is U29253UP2007PLC032868

Verifresh Dairies Limited is involved in the business of manufacturers, repackers, formulators, franchise-holders, stockists, agents, importers, exporters, consignors, merchants and dealers of all types of foods concentrates, instant food mixes, food compounds, ghee, baby food and all milk products, including skim milk powder and other materials, which may be used as food excluding or with other modifications or additions and all other food stuff or products.

Board of Directors:

| Sr. No. | Name of the Director | Designation |
|---------|----------------------|--------------------|
| 1) | Vineet Saxena | Executive Director |
| 2) | Arpit Mehra | Executive Director |
| 3) | Sudhir Khera | Executive Director |

Shareholding as on date of this Prospectus:

| Sr. No. | Name of the Shareholder | No of Shares held | % of total Paid-up Capital |
|---------|-------------------------|-------------------|----------------------------|
| 1) | Mr. Atul Mehra | 975 | 19.50 |

| | | | |
|----|--------------------------|--------------|---------------|
| 2) | Mrs. Sonia Mehra | 20 | 0.40 |
| 3) | Mr. Vineet Saxsena | 10 | 0.20 |
| 4) | Mr. Prem Nandan Mehra | 10 | 0.20 |
| 5) | Mr. Anuj Mehta | 10 | 0.20 |
| 6) | Mr. Narendra Kumar Sathe | 10 | 0.20 |
| 7) | Mr. Arpit Mehra | 3,965 | 79.30 |
| | TOTAL | 5,000 | 100.00 |

Audited financial information:

| (₹ in Lakhs) | | | |
|--------------------|---------|---------|---------|
| Particulars | 2014-15 | 2015-16 | 2016-17 |
| Paid Up Capital | 5.00 | 5.00 | 5.00 |
| Reserves & Surplus | (4.54) | (7.69) | (12.37) |
| Net Asset Value | 101.74 | 110.52 | 113.10 |

4) Stock Options Xpress Private Limited

Corporate Information:

Stock Options Xpress Private Limited is a private limited company incorporated on July 06, 1988 under the provisions of Companies Act, 1956 and has its Registered Office at G-6, 12/483, Ratandham Apartment, McRobert Ganj, Kanpur-208 001. The current paid up capital of Rs 25.00 Lakhs. The Corporate Identification Number is U17117UP1988PTC009810

Stock Options Xpress Private Limited is involved in the business as manufacturers, importers, exporters, wholesalers, retailers and dealers in all kinds of synthetics and man-made fabrics and to spin,make,produce,process,Texturize,Crimp,dye,print,weave,twist,tuft, and finish all kind of fiber, yarn and materials made from all kinds of fiber, natural, synthetic or man-made, for domestic, commercial and industrial use.

Board of Directors:

| Sr. No. | Name of the Director | Designation |
|---------|----------------------|------------------------|
| 1) | Mr. Atul Mehra | Non-Executive Director |
| 2) | Mr. Vineet Saxsena | Executive Director |

Shareholding as on date of this Prospectus:

| Sr. No. | Name of the Shareholder | No of Shares held | % of total Paid-up Capital |
|---------|-------------------------------|-------------------|----------------------------|
| 1) | Mr. Atul Mehra | 1,25,000 | 50.00 |
| 2) | Mrs. Sonia Mehra | 1,04,700 | 41.88 |
| 3) | Mr. Nikhil Wason | 100 | 0.04 |
| 4) | Mr. Vinamra Agarwal | 100 | 0.04 |
| 5) | Tasty Dairy Specialities Ltd. | 5,000 | 2.00 |
| 6) | CIMA Foods Pvt. Ltd. | 1,000 | 0.40 |
| 7) | CIMA Dairy & Foods Pvt. Ltd. | 4,000 | 1.60 |
| 8) | Mr. Atul Mehra HUF | 1,000 | 0.40 |
| 9) | Mr. Vinamra Priti HUF | 100 | 0.04 |
| 10) | Mr. Arpit Mehra | 9,000 | 3.60 |
| | TOTAL | 2,50,000 | 100.00 |

Audited financial information:

| (₹ in Lakhs) | | | |
|--------------------|---------|---------|---------|
| Particulars | 2014-15 | 2015-16 | 2016-17 |
| Paid Up Capital | 25.00 | 25.00 | 25.00 |
| Reserves & Surplus | (3.36) | (1.77) | (1.13) |
| Net Asset Value | 22.25 | 24.17 | 24.89 |

5) Grow Home Developers Private Limited

Corporate Information:

Grow Home Developers Private Limited is a private limited company incorporated on July 06, 1988 under the provisions of Companies Act, 1956 and has its Registered Office at G-6, 12/483, Ratandham Apartment, McRobert Ganj, Kanpur-208 001. The current paid up capital of Rs 2.90 Lakhs. The Corporate Identification Number is U70102UP2011PTC045972

Grow Home Developers Private Limited is involved in Real estate activities with own or leased property. This class includes buying, selling, renting and operating of self-owned or leased real estate such as apartment building and dwellings, non-residential buildings, developing and subdividing real estate into lots etc. Also included are development and sale of land and cemetery lots, operating of apartment hotels and residential mobile home sites.

Board of Directors:

| Sr. No. | Name of the Director | Designation |
|---------|--------------------------|------------------------|
| 1) | Mr. Atul Mehra | Non-Executive Director |
| 2) | Mr. Mahendra Kumar Singh | Non-Executive Director |
| 3) | Mr. Utpal Rajak | Non-Executive Director |

Shareholding as on date of this Prospectus:

| Sr. No. | Name of the Shareholder | No of Shares held | % of total Paid-up Capital |
|---------|--------------------------|-------------------|----------------------------|
| 1) | Mr. Atul Mehra | 7,000 | 24.14 |
| 2) | Mrs. Sonia Mehra | 7,010 | 24.17 |
| 3) | Mr. Mahendra Kumar Singh | 2,990 | 10.30 |
| 4) | Mr. Utpal Rajak | 4,800 | 16.55 |
| 5) | Mrs. Preeti Rajak | 3,600 | 12.41 |
| 6) | Mr. Arpit Mehra | 3,600 | 12.41 |
| | TOTAL | 29,000 | 100.00 |

Audited financial information:

(₹ in Lakhs)

| Particulars | 2014-15 | 2015-16 | 2016-17 |
|--------------------|---------|---------|---------|
| Paid Up Capital | 2.90 | 2.90 | 2.90 |
| Reserves & Surplus | (0.88) | (1.00) | (1.10) |
| Net Asset Value | 22.73 | 22.71 | 22.95 |

Related Party Transactions

For details on related party transactions please refer to 'Financial Statements, as Restated-Annexure-XXVII-Restated Statement of Related Parties Transactions' on page 158 of this Prospectus.

Defunct /Struck-off Company:

None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Prospectus with Stock Exchange.

Other Disclosures:

- 1) None of our Group Companies are under any winding up proceedings.

- 2) None of our Group Companies are listed on any of the Stock Exchanges and they have not made any public/rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI.
- 3) None of our Group Companies have negative Net Worth as per the last audited financial statements mentioned herein.
- 4) None of our Group Companies have any interest in the promotion of our Company.

Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see '*Financial Statements, as restated-Annexure XXVII-Restated Statement of Related Parties Transactions*' on page 158 of this Prospectus.

Unsecured Loans extended to our Company, by our Company

For details, please refer to the chapters titled *Financial Statements, as restated – Annexure XXVII – Restated Statement of Related Parties Transactions* on page 158.

Common Pursuits amongst the Group Companies with our Company

CIMA Foods Private limited, Verifresh Dairies Limited and CIMA Dairy and Foods Limited and have objects similar to that of our Company's business, but as on the date of filing of the Prospectus, none of the aforesaid entity is carrying any business competing with that of our Company.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to *Annexure-XXVII* of Restated Financial Statement under the section titled '*Financial Statements*' beginning on page 132 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The Shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The Dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous financial years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

SECTION V - FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Independent Auditor's Report on Restated Financial Statements

To,
The Board of Directors,
Tasty Dairy Specialities Limited,
D-3, UPSIDC Industrial Area,
Jainpur,
Kanpur Dehat
Uttar Pradesh-209311

Dear Sir,

We have examined the attached restated summary statement of assets and liabilities of **Tasty Dairy Specialities Limited**, (hereinafter referred to as "**the Company**") as on September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 restated summary statement of profit and loss and restated summary statement of cash flows for the period ended on September 30, 2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 (collectively referred to as the "**restated summary statements**" or "**restated financial statements**") annexed to this report and initialed by us for identification purposes. These restated financial statements have been prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on SME Platform of Bombay Stock Exchange ("**BSE**").

1. These restated summary statements have been prepared in accordance with the requirements of:
 - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**")
2. We have examined such restated financial statements taking into consideration:
 - (i) The terms of reference to our engagement letter with the Merchant Banker dated December 01, 2017 requesting us to carry out the assignment, in connection with the Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of Bombay Stock Exchange ("**IPO**" or "**SME IPO**"); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on September 30, 2017 and for the year ended March 31 2017, 2016, 2015, 2014 and 2013.
4. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The "**restated statement of asset and liabilities**" of the Company as on September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (ii) The “**restated statement of profit and loss**” of the Company for the period ended on September 30, 2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- (iii) The “**restated statement of cash flows**” of the Company for the period ended on September 30, 2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
- (iv) *The Company had Closing Balance in Fixed Deposits of ₹4,52,11,000/- (₹19100000/- in PNB having FDR No. 074600GM00000032; ₹111000/- in PNB having FDR NO 074600MP00000037 & ₹26000000/- in PNB having FDR No. 0746GM00000023) and Outstanding liabilities of ₹45210837/- from a company namely M/s SRS Investment Company as on 31/03/2013. The company has not provided any proof / evidences relating to the above. We are solely relying on the facts and observation mentioned in the approved Audited Financial Statements by the Management and the Auditor.*
5. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
- Using consistent accounting policies for all the reporting periods.
 - Adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - There are no audit qualifications in the audit reports issued by the statutory auditor for the period ended on September 30, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 which would require adjustments in this restated financial statements of the Company.
6. Audit for the period ended on September 30 2017 and year ended on March 31 2017, 2016, 2015, 2014 and 2013 was conducted by Atul Garg & Associates. The financial report included for these period is based solely on the report submitted by them. Further financial statements for period ended on March 31, 2017 have been re-audited by us as per the relevant guidelines.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period ended on September 30, 2017 and for the year ended on March 31, 2017, 2016, 2015, 2014 and 2013 proposed to be included in the Prospectus / Prospectus (“**Offer Document**”).

Annexure to restated financial statements of the Company:-

- Summary statement of Assets and Liabilities, as restated as appearing in *Annexure I*;
- Summary statement of Profit and Loss, as restated as appearing in *Annexure II*;
- Summary statement of Cash Flow as restated as appearing in *Annexure III*;
- Significant Accounting Policies as restated as appearing in *Annexure IV*;
- Details of share capital as restated as appearing in *Annexure V* to this report;
- Details of reserves and surplus as restated as appearing in *Annexure VI* to this report;
- Details of long term borrowings as restated as appearing in *Annexure VII* to this report;
- Details of deferred tax asset/liability as restated as per *Annexure VIII* to this report;
- Details of long term liabilities as restated as appearing in *Annexure IX* to this report;
- Details of long term Provisions as restated as appearing in *Annexure X* to this report;
- Details of short term borrowings as restated as appearing in *Annexure XI* to this report;
- Details of trade payables as restated as appearing in *Annexure XII* to this report;
- Details of other current liabilities as restated as appearing in *Annexure XIII* to this report;
- Details of short term Provisions as restated as appearing in *Annexure XIV* to this report;

15. Details of fixed assets as restated as appearing in *Annexure XV* to this report;
 16. Details of noncurrent investments as restated as appearing in *Annexure XVI* to this report;
 17. Details of long term loans and advances as restated as appearing in *Annexure XVII* to this report;
 18. Details of other noncurrent assets as restated as appearing in *Annexure XVIII* to this report;
 19. Details of current investments as restated as appearing in *Annexure XIX* to this report;
 20. Details of inventories as restated as appearing in *Annexure XX* to this report;
 21. Details of trade receivables as restated as appearing in *Annexure XXI* to this report;
 22. Details of cash & cash equivalents as restated as appearing in *Annexure XXII* to this report;
 23. Details of short term loans & advances as restated as appearing in *Annexure XXIII* to this report;
 24. Details of short term loans & advances as restated as appearing in *Annexure XXIV* to this report;
 25. Details of revenue from operations as restated as appearing in *Annexure XXV* to this report;
 26. Details of other income as restated as appearing in *Annexure XXVI* to this report;
 27. Details of related party transactions as restated as appearing in *Annexure XXVII* to this report;
 28. Summary of significant accounting ratios as restated as appearing in *Annexure XXVIII* to this report,
 29. Capitalization Statement as at September 30, 2017 as restated as appearing in *Annexure XXIX* to this report;
 30. Statement of tax shelters as restated as appearing in *Annexure XXX* to this report;
8. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 10. In our opinion, the above financial information contained in Annexure I to XXX of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
 - a. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For Mittal & Associates
Chartered Accountants
Firm Registration no: 106456W

Hemant Bohra
Partner
Membership No. 165667

Place: Mumbai
Date: December 28, 2017

Annexure-I

Statement of Assets and Liabilities, as Restated

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | As at 31 March, | | | | |
|--|------------------------------------|-----------------|----------------|----------------|----------------|----------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| I. EQUITY AND LIABILITIES | | | | | | |
| (1) Shareholder's Funds | | | | | | |
| (a) Share Capital | 1500.00 | 900.00 | 900.00 | 900.00 | 900.00 | 900.00 |
| (b) Reserves and Surplus | 2174.85 | 2532.04 | 2080.31 | 1618.58 | 1172.64 | 629.88 |
| (2) Share Application Money Pending Allotment | - | - | - | - | - | - |
| (3) Non-Current Liabilities | | | | | | |
| (a) Long-Term Borrowings | 495.45 | 421.63 | 507.62 | 326.38 | 211.04 | 299.64 |
| (b) Deferred Tax Liability(Net) | 6.35 | 14.78 | 36.41 | 14.40 | 42.97 | 51.62 |
| (c) Other Long Term Liabilities | 171.00 | 171.00 | 411.91 | 429.25 | 278.72 | 597.90 |
| (d) Long-Term Provisions | 17.05 | 14.80 | 14.11 | 11.68 | - | - |
| (4) Current Liabilities | | | | | | |
| (a) Short-Term Borrowings | 3926.32 | 4129.73 | 3654.11 | 3262.30 | 2509.75 | 2261.71 |
| (b) Trade Payables | 2179.42 | 630.99 | 185.85 | 160.33 | 151.93 | 174.16 |
| (c) Other Current Liabilities | 483.28 | 388.93 | 523.37 | 619.04 | 554.85 | 923.02 |
| (d) Short-Term Provisions | 28.16 | 6.91 | 22.86 | 31.69 | 43.70 | 36.49 |
| TOTAL | 10,981.89 | 9209.91 | 8336.55 | 7373.66 | 5865.59 | 5874.42 |
| II. ASSETS | | | | | | |
| (1) Non-Current Assets | | | | | | |
| (a) Fixed Assets | | | | | | |
| - Tangible Assets | 1468.31 | 1580.68 | 1666.68 | 1214.64 | 1373.96 | 1554.97 |
| - Intangible Assets | - | - | - | - | - | - |
| - Capital Work in Progress | - | - | - | 156.69 | - | - |
| (b) Non-Current Investments | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 |
| (c) Long Term Loans And Advances | 365.15 | 365.15 | 302.75 | 440.28 | 507.92 | 507.92 |
| (d) Other Non-Current Assets | 105.17 | 107.27 | 144.28 | 144.45 | 212.93 | -104.99 |
| (2) Current Assets | | | | | | |
| (a) Current Investment | 25.00 | 246.50 | - | - | - | - |
| (b) Inventories | 5539.64 | 4292.54 | 4086.28 | 3982.94 | 2779.73 | 2637.79 |
| (c) Trade receivables | 2118.09 | 1822.86 | 794.53 | 810.71 | 412.97 | 299.00 |
| (d) Cash and Cash Equivalents | 199.42 | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 |
| (e) Short-Term Loans And Advances | 1136.62 | 604.37 | 1207.72 | 482.56 | 263.85 | 99.00 |
| (f) Other Current Assets | 23.97 | 52.73 | 41.55 | 50.28 | 13.35 | 6.77 |
| TOTAL | 10981.89 | 9209.91 | 8336.55 | 7373.66 | 5865.59 | 5874.42 |

Annexure-II
Statement of Profit & Loss, as Restated

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|---|------------------------------------|------------------------------|------------------|------------------|------------------|------------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| REVENUE: | | | | | | |
| Revenue From Operations (Net of Taxes) | 13,729.67 | 23,879.13 | 33,443.18 | 30,783.58 | 25,153.27 | 20,438.51 |
| Other Income | 10.38 | 20.73 | 45.31 | 11.70 | 36.76 | 41.55 |
| Total Revenue | 13,740.00 | 23900.00 | 33,488.00 | 30,795.00 | 25,190.00 | 20,480.00 |
| EXPENSES: | | | | | | |
| Cost of Material Consumed | 12,315.18 | 21,495.42 | 29,311.40 | 29,087.19 | 23,559.13 | 18,423.84 |
| Purchase of Stock-in -Trade | - | - | - | - | - | - |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 276.18 | (161.07) | 1623.32 | (617.33) | (567.49) | (95.28) |
| Employee benefit expenses | 114.39 | 239.81 | 228.33 | 220.21 | 136.55 | 145.23 |
| Financial Cost | 265.54 | 476.90 | 442.63 | 383.81 | 370.56 | 375.42 |
| Depreciation and amortization expenses | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| Others Expenses | 337.01 | 995.35 | 1001.79 | 927.18 | 958.95 | 945.63 |
| Total Expenses | 13,424.00 | 23,315.00 | 32,874.00 | 30,224.00 | 24,647.00 | 20,019.00 |
| Profit before exceptional, extraordinary items and tax | 315.99 | 584.36 | 614.92 | 571.52 | 542.68 | 460.64 |
| Less: Exceptional Items | - | - | - | - | - | - |
| Profit before extraordinary items and tax (A-B) | 315.99 | 584.36 | 614.92 | 571.52 | 542.68 | 460.64 |
| Prior Period Items | - | - | - | - | - | - |
| Extra ordinary items | - | (3.18) | (4.55) | (3.20) | 0.58 | 1.60 |
| Profit before tax | | | | | | |
| Tax expense : | | | | | | |
| Current tax | 64.61 | 122.83 | 130.58 | 121.16 | 115.93 | 98.35 |
| MAT Credit Entitlement | 17.00 | 34.61 | 5.17 | 33.48 | (107.94) | (79.07) |
| Income tax relating to earlier year | - | - | - | - | - | - |
| Deferred Tax | (8.43) | (21.63) | 22.01 | (27.69) | (8.65) | (11.86) |
| Mat Assets | - | - | - | - | - | - |
| Profit/(Loss) for the period After Tax-PAT | 242.81 | 451.73 | 461.72 | 447.78 | 542.76 | 451.62 |
| No. of Shares | 1,50,00,000 | 9,00,000* | 9,00,000* | 9,00,000* | 9,00,000* | 9,00,000* |
| Earning per Equity Share: | | | | | | |
| (1) Basic | 1.62 | 50.19 | 51.30 | 49.44 | 60.31 | 50.18 |
| (2) Diluted | 1.62 | 50.19 | 51.30 | 49.44 | 60.31 | 50.18 |

* The Equity Shares are having Face Value of ₹100/- each.

Annexure-III

Statement of Cash Flow, as Restated

(₹ in Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|--|------------------------------------|------------------------------|----------|------------|----------|----------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Cash Flow From Operating Activities: | | | | | | |
| Net Profit before tax as per Profit And Loss A/c | 315.99 | 587.54 | 619.48 | 574.72 | 542.10 | 459.04 |
| Adjustments for: | | | | | | |
| Depreciation & Amortization Expense | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| Interest Income | 3.81 | 10.91 | 7.18 | 4.09 | 11.50 | 41.35 |
| Finance Cost | 265.54 | 476.90 | 442.63 | 383.81 | 370.56 | 375.42 |
| (Profit)/Loss on Sale of Fixed Assets | - | (3.18) | (4.55) | (3.20) | 0.58 | 1.60 |
| | - | - | - | - | - | - |
| Operating Profit Before Working Capital Changes | 693.50 | 1,319.44 | 1,319.44 | 1,173.95 | 1,091.38 | 1,019.29 |
| Adjusted for (Increase)/ Decrease in: | | | | | | |
| (Increase) /Decrease in Trade Receivables | (295.22) | (1,028.34) | 16.18 | (397.73) | (113.97) | 387.05 |
| (Increase) /Decrease in Loans & Advances | (532.26) | 603.36 | (725.16) | (218.72) | (164.85) | 414.37 |
| (Increase) /Decrease in Inventories | (1,247.10) | (206.26) | (103.34) | (1,203.20) | (141.94) | (536.05) |
| (Increase) /Decrease in Other Current Assets | 28.77 | -11.18 | 8.74 | (36.94) | (6.57) | (1.23) |
| Increase /(Decrease) in Trade Payables | 1,549.33 | 444.24 | 25.52 | 8.40 | (22.23) | (508.85) |
| Increase/ (Decrease) in Other Current Liabilities | 94.35 | (134.45) | (95.67) | 64.20 | (368.18) | 24.02 |
| Short Term provision | 2.26 | 0.68 | 2.43 | 11.68 | - | - |
| Long Term Provision | 21.25 | (15.95) | (8.83) | (12.01) | 7.21 | (16.24) |
| Cash Generated From Operations | (378.64) | (347.90) | (880.13) | (1,784.32) | (810.53) | (236.93) |
| Appropriation of Profit | - | - | - | - | - | - |
| Net Income Tax paid/ refunded | 64.61 | 122.83 | 130.58 | 121.16 | 115.93 | 98.35 |
| Net Cash Flow from/(used in) Operating Activities: (A) | 250.25 | 848.71 | 305.78 | (731.54) | 164.92 | 684.01 |
| | | | | | | |
| Cash Flow From Investing Activities: | | | | | | |
| Net (Purchases)/Sales of Fixed Assets (including capital work in progress) | (3.40) | (179.92) | (556.90) | (219.57) | (9.21) | (41.46) |
| Interest Received | 3.81 | 10.91 | 7.18 | 4.09 | 11.50 | 41.35 |
| Net (Increase)/Decrease in Long Term Loans & Advances | (17.00) | (97.01) | 132.36 | 34.16 | 107.94 | (253.87) |
| Proceeds From Sale or Purchase OF Investments | 221.50 | (246.50) | - | - | - | (0.50) |
| Net (Increase)/Decrease in Non-Current Assets | 2.10 | 37.01 | 0.17 | 68.48 | (107.94) | (104.99) |

| | | | | | | |
|--|----------|----------|----------|----------|----------|----------|
| | | | | | | |
| Net Cash Flow from/(used in) Investing Activities: (B) | 207.00 | (475.51) | (417.19) | (112.85) | 2.29 | (359.46) |
| | | | | | | |
| Cash Flow from Financing Activities: | | | | | | |
| Proceeds From issue of Share Capital | - | - | - | - | - | - |
| Net Increase/(Decrease) in Long Term Borrowings | 73.83 | (86.00) | 181.24 | 115.35 | (88.61) | (199.17) |
| Net Increase/(Decrease) in Short Term Borrowings | (203.41) | 475.62 | 391.81 | 752.55 | 248.04 | (190.32) |
| Net Increase/(Decrease) in Other Long Term Liabilities | - | (240.91) | (17.34) | 150.53 | (319.18) | 597.76 |
| Interest and Financial Charges Paid | (265.54) | (476.90) | (442.63) | (383.81) | (370.56) | (375.42) |
| Net Cash Flow from/(used in) Financing Activities (C) | (395.12) | (328.17) | 113.07 | 634.61 | (530.31) | (167.15) |
| | | | | | | |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 62.13 | 45.03 | 1.66 | -209.78 | -363.09 | 157.40 |
| Cash & Cash Equivalents As At Beginning of the Year | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 | 506.08 |
| Cash & Cash Equivalents As At End of the Year | 199.42 | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 |

Annexure IV

Tasty Dairy Specialities Limited

Notes to Balance sheet and Statement of Profit and Loss

Note 1: Significant Accounting Policies

1. Basis of Preparation Of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at September 2017, March 2017, 2016, 2015, 2014 and 2013 and the related restated summary statement of profits and loss and restated summary statement of cash flows for the period ended on September, 2017 and year ended March 2017, 2016, 2015, 2014 and 2013 (herein collectively referred to as 'restated summary statements') have been compiled by the management from the audited financial statements of the Company for the period ended on September 2017 and year ended March 2017, 2016, 2015, 2014 and 2013, approved by the Board of Directors of the Company. The restated summary statements have been prepared to comply in all material respects with the provisions of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014; The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI") and Guidance note on reports in Companies Prospectus (Revised). The restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

2. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of the assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. Revenue Recognition

Sale is recognized when the significant risks and reward of ownership of the goods have passed to the customer. Sales are net of sales returns, trade discounts and rebate. Sales tax/Value added tax paid is charged to Profit & Loss Account.

4. Fixed Assets

Fixed Assets are stated at cost less Accumulated depreciation. Cost Include all expenses incurred to bring the assets to its present location and condition. Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection.

5. Depreciation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

6. Inventories

"Finished Goods, Raw Materials/Packing Materials are valued at cost or net realizable value whichever is lower. Damaged/Defective stocks are valued at net realizable value.

7. Taxation

- a. Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of Income Tax Act, 1961.
- b. Deferred Tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax Assets is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be adjusted in future.

8. Retirement & Other Benefits

- a. Company's contribution to Provident Fund and Employee's State Insurance Fund are charged to Profit & Loss Account.
- b. Company's liability towards defined benefit plan is determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measure each unit separately to build up the final obligation. Actuarial gain and losses are recognized immediately in the profit and loss account as income or expenses. Obligation measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date or government bonds where the currency and terms of the Government are consistent with the currency and estimates of the defined benefit obligation.

9. Impairment of Assets

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating assets. In that event an impairment loss so computed would be recognized in the account in the relevant year.

10. Earnings Per Share

"The earning considered in ascertaining the Company's earnings per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential diluted equity shares"

11. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferral or accruals of past or future cash receipts or payment. The cash flows from regular operating, investing and financing activities of the Company are segregated.

12. Provisions, Contingent Liabilities & Contingent Assets

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

13. Mat Credit Entitlement

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent that there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

14. Foreign Currency Transactions

"Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the profit and loss account."

Annexure-V

Details of Share Capital:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|---|------------------------------------|------------------------------|-------------|-------------|-------------|-------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Equity Share Capital | | | | | | |
| Authorized: | | | | | | |
| Equity Shares of ₹10 each | 2400.00 | 900.00 | 900.00 | 900.00 | 900.00 | 900.00 |
| | | | | | | |
| Issued, Subscribed and Paid-Up | | | | | | |
| Equity Shares of ₹10 each | 1500.00 | 900.00 | 900.00 | 900.00 | 900.00 | 900.00 |
| | | | | | | |
| Reconciliation of number of shares outstanding at the end of the year: | | | | | | |
| | 1500.00 | 900.00 | 900.00 | 900.00 | 900.00 | 900.00 |
| | | | | | | |
| Equity Shares at the beginning of the year | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 3.00 |
| Add: Shares issued during the year | - | - | - | - | - | 6.00 |
| Add: Bonus shares issued during the year | 6.00 | - | - | - | - | - |
| Add: Split of shares of ₹100 to ₹10/- each | 135.00 | - | - | - | - | - |
| Total | 150.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |

Annexure-VI

Details of Reserves and Surplus:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|--|------------------------------------|----------------|----------------|----------------|----------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Reserve & Surplus | | | | | | |
| Opening Balance | 948.17 | 798.17 | 648.17 | 400.00 | 150.00 | 250.00 |
| Less: Adjusted For Depreciation | | | | 1.83 | | |
| Less: Appropriation towards Issue of Bonus Shares | 600.00 | - | - | - | - | 600.00 |
| Add - Transfer from Profit & Loss Account | - | 150.00 | 150.00 | 250.00 | 250.00 | 500.00 |
| Closing Balance | 348.17 | 948.17 | 798.17 | 648.17 | 400.00 | 150.00 |
| Surplus/(Deficit) in Statement of Profit & Loss | | | | | | |
| Opening Balance | 1583.87 | 1282.13 | 970.41 | 772.64 | 479.88 | 528.26 |
| Add: Net Profit/(Net Loss) for the current year | 242.81 | 451.73 | 461.72 | 447.78 | 542.76 | 451.62 |
| Less: Transfer to General Reserve | - | 150.00 | 150.00 | 250.00 | 250.00 | 500.00 |
| Closing Balance | 1826.68 | 1583.87 | 1282.13 | 970.41 | 772.64 | 479.88 |
| Total | 2174.85 | 2532.04 | 2080.31 | 1618.58 | 1172.64 | 629.88 |

Annexure-VII

Details of Long Term Borrowing:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|----------------------------|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Term loans | | | | | | |
| Secured Loans | | | | | | |
| From: Bank | 319.14 | 379.14 | 439.14 | 135.17 | 72.10 | 183.23 |
| Punjab National Bank | | | 0.23 | 2.81 | - | 3.88 |
| Kotak Mahindra Bank | | | | | | |
| From: Other Parties | | | | | | |
| Kotak Mahindra Prime Ltd | 72.40 | 20.15 | 48.73 | 87.30 | 21.94 | 40.35 |
| Total | 391.54 | 399.29 | 488.09 | 225.28 | 94.04 | 227.45 |
| Unsecured Loan | | | | | | |
| From: Bank | | | | | | |
| HDFC Bank Ltd. | 14.95 | 22.34 | 13.71 | 41.78 | 35.48 | 46.33 |
| Kotak Mahindra Bank | 40.42 | - | - | 22.89 | 13.81 | - |
| From: Other Parties | | | | | | |
| Bajaj Finance Ltd. | 21.59 | - | 5.82 | 15.80 | 3.57 | 16.46 |
| Magma Fincorp Ltd. | - | - | - | 20.63 | 43.46 | 6.72 |
| Tata Capital Ltd. | 26.97 | - | - | - | 20.69 | 2.30 |
| Atul Mehra HUF (Loan A/c) | - | - | - | - | - | 0.38 |
| Total | 103.92 | 22.34 | 19.53 | 101.10 | 117.00 | 72.19 |

| | | | | | | |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | | | | | |
| Total | 495.45 | 421.63 | 507.62 | 326.38 | 211.04 | 299.64 |

Annexure-VIII

Details of Deferred Tax Asset/Liability:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|-------------------------------|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Deferred Tax Liability | | | | | | |
| Due to Depreciation | 11.68 | 19.67 | 41.07 | 18.19 | 42.97 | 51.62 |
| Due to Provision for Gratuity | -5.33 | -4.89 | -4.67 | -3.79 | - | - |
| Total | 6.35 | 14.78 | 36.41 | 14.40 | 42.97 | 51.62 |

Annexure-IX

Details of Other Long Term Liabilities:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Retention Monies/Security (L.T.) | - | - | 411.91 | 429.25 | 278.72 | 597.90 |
| Advance for Capital Goods (LT) | | | | | | |
| Indocoat Shoe Components Ltd. | 171.00 | 171.00 | - | - | - | - |
| Total | 171.00 | 171.00 | 411.91 | 429.25 | 278.72 | 597.90 |

Annexure-X

Details of Long Term Provision:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|--|------------------------------------|--------------|--------------|--------------|----------|----------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Provision for employee benefits | | | | | | |
| Provision for Gratuity | 17.05 | 14.80 | 14.11 | 11.68 | - | - |
| Total | 17.05 | 14.80 | 14.11 | 11.68 | - | - |

Annexure-XI

Details of Short Term Borrowing:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---------------------------------------|------------------------------------|----------|----------|----------|----------|----------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Secured Loans | | | | | | |
| Cash Credit from Punjab National bank | 3,147.12 | 2,695.25 | 3,080.54 | 2,732.32 | 2,010.85 | 2,117.21 |
| Cash Credit Limit from IndusInd Bank | 377.84 | 570.59 | - | - | - | - |
| Bill Discounting limit from Yes | 181.95 | 863.90 | 336.48 | - | - | - |

| | | | | | | |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Bank | | | | | | |
| Unsecured Loan | - | - | - | - | - | - |
| Kotak Mahindra Bank | 54.86 | - | 237.09 | - | - | - |
| Cash Credit Limit From HDFC Bank | 164.55 | - | - | - | - | - |
| Bajaj Finance Ltd. | - | - | - | 529.98 | 498.90 | 144.50 |
| Total | 3,926.32 | 4,129.73 | 3,654.11 | 3,262.30 | 2,509.75 | 2,261.71 |

Annexure-XII

Details of Trade Payables:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|------------------|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Sundry Creditors | | | | | | |
| Trade Payable | 2,179.42 | 630.09 | 185.85 | 160.33 | 151.93 | 174.16 |
| Total | 2,179.42 | 630.09 | 185.85 | 160.33 | 151.93 | 174.16 |

Annexure-XIII

Details of Other Current Liabilities:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Current Maturities of Long-Term Debt | 223.88 | 132.76 | 183.79 | 260.99 | 324.47 | 280.90 |
| Creditors for Capital Goods | 19.47 | 39.34 | 19.68 | 68.26 | 18.76 | 5.59 |
| Advance From Customers | 159.24 | 126.42 | 199.95 | 104.95 | 157.84 | 531.30 |
| Statutory Dues Payable | 2.34 | 0.58 | 0.88 | 0.81 | 0.47 | 0.93 |
| TDS & Other Taxes Payable | 30.00 | 13.43 | 28.94 | 28.73 | 9.22 | 12.66 |
| Other Payables | 48.35 | 76.41 | 90.14 | 155.31 | 44.08 | 91.63 |
| Total | 483.28 | 388.93 | 523.37 | 619.04 | 554.85 | 923.02 |

Annexure-XIV

Details of Short Term Provision:

(₹In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|--|------------------------------------|-------------|--------------|--------------|--------------|--------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Provision for Income Tax (Net of Taxes Paid) | 25.71 | 0.30 | 15.99 | 28.29 | 40.89 | 34.31 |
| Provision for Employee benefits | 2.45 | 6.62 | 6.87 | 3.39 | 2.18 | 2.18 |
| Total | 28.16 | 6.91 | 22.86 | 31.69 | 43.70 | 36.49 |

Annexure XV
 Details of Fixed Assets
 FY: 2012-13

(₹ in Lacs)

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|-----------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|--------------------------------|--------------------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Closing Value as on 31.03.2013 | Closing Value as on 31.03.2012 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land | 76.26 | 11.11 | - | 87.36 | - | - | - | - | 87.36 | 76.26 |
| Freehold Land | 64.39 | 7.70 | - | 72.08 | - | - | - | - | 72.08 | 64.39 |
| Building | 615.71 | 2.48 | - | 618.18 | 101.92 | 51.54 | - | 153.46 | 464.72 | 513.79 |
| Building (Flat) | 17.71 | - | - | 17.71 | 4.58 | 0.66 | - | 5.23 | 12.47 | 13.13 |
| Plant & Machinery | 931.79 | 12.54 | - | 944.33 | 199.16 | 103.36 | - | 302.52 | 641.81 | 732.63 |
| Furniture & Fixtures | 6.25 | 0.50 | - | 6.75 | 3.56 | 0.53 | - | 4.09 | 2.66 | 2.69 |
| Electric Fittings & Installations | 25.02 | - | - | 25.02 | 7.13 | 2.49 | - | 9.62 | 15.40 | 17.89 |
| Generator | 91.07 | - | 5.30 | 85.77 | 26.13 | 8.79 | 0.81 | 34.11 | 51.66 | 64.94 |
| Effluent Treatment Plant | 0.78 | - | - | 0.78 | 0.28 | 0.07 | - | 0.35 | 0.43 | 0.50 |
| Computer | 22.86 | 0.87 | - | 23.73 | 17.54 | 2.37 | - | 19.91 | 3.82 | 5.32 |
| Boiler | 89.79 | - | - | 89.79 | 31.20 | 8.15 | - | 39.35 | 50.43 | 58.58 |
| Office Equipment | 14.97 | 2.75 | - | 17.72 | 4.35 | 1.70 | - | 6.05 | 11.67 | 10.62 |
| Lab Equipment | 3.43 | 0.43 | - | 3.87 | 1.23 | 0.34 | - | 1.57 | 2.30 | 2.20 |
| Storage Tank | 7.91 | - | - | 7.91 | 2.83 | 0.71 | - | 3.53 | 4.37 | 5.08 |
| Air Conditioner & Refrigeration | 23.98 | 1.51 | - | 25.49 | 8.11 | 2.40 | - | 10.52 | 14.97 | 15.87 |
| Weighing Scale | 2.25 | 0.08 | - | 2.33 | 0.70 | 0.22 | - | 0.92 | 1.42 | 1.55 |
| Vehicle | 251.34 | 13.81 | 33.74 | 231.41 | 101.83 | 39.84 | 24.33 | 117.34 | 114.07 | 149.51 |
| Tractor | 8.85 | - | - | 8.85 | 4.12 | 1.42 | - | 5.54 | 3.30 | 4.72 |
| Total | 2254.35 | 53.76 | 39.04 | 2269.07 | 514.66 | 224.58 | 25.14 | 714.11 | 1554.97 | 1739.69 |

FY: 2013-14

(₹ in Lacs)

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|-----------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|--------------------------------|--------------------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Closing Value as on 31.03.2014 | Closing Value as on 31.03.2013 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land | 87.36 | - | - | 87.36 | - | - | - | - | 87.36 | 87.36 |
| Freehold Land | 72.08 | - | - | 72.08 | - | - | - | - | 72.08 | 72.08 |
| Building | 618.18 | - | - | 618.18 | 153.46 | 46.47 | - | 199.93 | 418.25 | 464.72 |
| Building (Flat) | 17.71 | - | - | 17.71 | 5.23 | 0.62 | - | 5.86 | 11.85 | 12.47 |
| Plant & Machinery | 944.33 | 4.85 | - | 949.18 | 302.52 | 89.68 | - | 392.20 | 556.98 | 641.81 |
| Furniture & Fixtures | 6.75 | - | - | 6.75 | 4.09 | 0.48 | - | 4.57 | 2.18 | 2.66 |
| Electric Fittings & Installations | 25.02 | - | - | 25.02 | 9.62 | 2.14 | - | 11.76 | 13.26 | 15.40 |
| Generator | 85.77 | - | - | 85.77 | 34.11 | 7.19 | - | 41.30 | 44.48 | 51.66 |
| Effluent Treatment Plant | 0.78 | - | - | 0.78 | 0.35 | 0.06 | - | 0.41 | 0.37 | 0.43 |
| Computer | 23.73 | 0.07 | - | 23.80 | 19.91 | 1.53 | - | 21.44 | 2.36 | 3.82 |
| Boiler | 89.79 | - | - | 89.79 | 39.35 | 7.02 | - | 46.37 | 43.42 | 50.43 |
| Office Equipment | 17.72 | 3.05 | - | 20.78 | 6.05 | 1.74 | - | 7.79 | 12.99 | 11.67 |
| Lab Equipment | 3.87 | - | - | 3.87 | 1.57 | 0.32 | - | 1.89 | 1.98 | 2.30 |
| Storage Tank | 7.91 | - | - | 7.91 | 3.53 | 0.61 | - | 4.14 | 3.76 | 4.37 |
| Air Conditioner & Refrigeration | 25.49 | - | - | 25.49 | 10.52 | 2.08 | - | 12.60 | 12.89 | 14.97 |
| Weighing Scale | 2.33 | - | - | 2.33 | 0.92 | 0.20 | - | 1.11 | 1.22 | 1.42 |
| Vehicle | 231.41 | 8.32 | 34.60 | 205.13 | 117.34 | 28.51 | 26.93 | 118.92 | 86.21 | 114.07 |
| Tractor | 8.85 | - | - | 8.85 | 5.54 | 0.99 | - | 6.53 | 2.31 | 3.30 |
| Total | 2,269.07 | 16.30 | 34.60 | 2,250.77 | 714.11 | 189.64 | 26.93 | 876.82 | 1,373.96 | 1,554.97 |

FY: 2014-15

(₹ in Lacs)

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|--------------------------------|--------------------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Closing Value as on 31.03.2015 | Closing Value as on 31.03.2014 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land | 87.36 | - | - | 87.36 | - | - | - | - | 87.36 | 87.36 |
| Freehold Land | 72.08 | - | - | 72.08 | - | - | - | - | 72.08 | 72.08 |
| Building | 618.18 | - | - | 618.18 | 199.93 | 39.89 | - | 239.82 | 378.36 | 418.25 |
| Building (Flat) | 17.71 | - | - | 17.71 | 5.86 | 0.57 | - | 6.43 | 11.28 | 11.85 |
| Plant & Machinery | 1,160.46 | 0.95 | - | 1,161.41 | 497.72 | 133.51 | -0.02 | 631.26 | 530.16 | 662.74 |
| Furniture & Fixtures | 6.75 | 0.30 | - | 7.05 | 4.57 | 0.74 | -0.02 | 5.33 | 1.71 | 2.18 |
| Electric Fittings & Installations | 25.02 | - | - | 25.02 | 11.76 | 4.62 | - | 16.38 | 8.64 | 13.26 |
| Effluent Treatment Plant | 0.78 | - | - | 0.78 | 0.41 | 0.08 | - | 0.49 | 0.30 | 0.37 |
| Computer | 23.80 | 0.36 | - | 24.16 | 21.44 | 0.51 | -0.90 | 22.85 | 1.31 | 2.36 |
| Office Equipment | 20.78 | 6.51 | - | 27.28 | 7.79 | 8.37 | -1.76 | 17.91 | 9.37 | 12.99 |
| Lab Equipment | 3.87 | - | - | 3.87 | 1.89 | 0.69 | - | 2.58 | 1.29 | 1.98 |
| Vehicle | 213.98 | 69.27 | 32.79 | 250.47 | 125.45 | 33.72 | 21.49 | 137.69 | 112.78 | 88.53 |
| Total | 2250.77 | 77.39 | 32.79 | 2295.37 | 876.82 | 222.71 | 18.78 | 1080.74 | 1214.64 | 1373.96 |
| Capital WIP | | | | | | | | | | |
| Building under Construction | - | 6.14 | - | 6.14 | - | - | - | - | 6.14 | - |
| Plant & Machinery under Installation | - | 150.55 | - | 150.55 | - | - | - | - | 150.55 | - |
| Total | - | 156.69 | - | 156.69 | - | - | - | - | 156.69 | - |
| Grand Total | 2250.77 | 234.07 | 32.79 | 2452.06 | 876.82 | 222.71 | 18.78 | 1080.74 | 1371.32 | 1373.96 |

FY: 2015-16

(₹ in Lacs)

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|--------------------------------|--------------------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Closing Value as on 31.03.2016 | Closing Value as on 31.03.2015 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land | 87.36 | - | - | 87.36 | - | - | - | - | 87.36 | 87.36 |
| Freehold Land | 72.08 | - | - | 72.08 | - | - | - | - | 72.08 | 72.08 |
| Building | 618.18 | 69.83 | - | 688.02 | 239.82 | 38.08 | - | 277.90 | 410.11 | 378.36 |
| Building (Flat) | 17.71 | - | - | 17.71 | 6.43 | 0.54 | - | 6.97 | 10.73 | 11.28 |
| Plant & Machinery | 1,161.41 | 592.45 | - | 1,753.87 | 631.26 | 172.86 | - | 804.12 | 949.75 | 530.16 |
| Furniture & Fixtures | 7.05 | 6.85 | - | 13.90 | 5.33 | 0.96 | - | 6.29 | 7.61 | 1.71 |
| Electric Fittings & Installations | 25.02 | - | - | 25.02 | 16.38 | 3.00 | - | 19.38 | 5.64 | 8.64 |
| Effluent Treatment Plant | 0.78 | - | - | 0.78 | 0.49 | 0.06 | - | 0.55 | 0.24 | 0.30 |
| Computer | 24.16 | 0.05 | - | 24.21 | 22.85 | 0.23 | - | 23.08 | 1.13 | 1.31 |
| Office Equipment | 27.28 | 2.27 | - | 29.56 | 17.91 | 5.02 | - | 22.93 | 6.63 | 9.37 |
| Lab Equipment | 3.87 | - | - | 3.87 | 2.58 | 0.45 | - | 3.03 | 0.84 | 1.29 |
| Vehicle | 250.47 | 53.52 | 39.40 | 264.59 | 137.69 | 44.90 | 32.55 | 150.04 | 114.55 | 112.78 |
| Total | 2295.37 | 724.99 | 39.40 | 2980.96 | 1080.74 | 266.10 | 325.55 | 1314.29 | 1666.68 | 1214.64 |
| Capital WIP | | | | | | | | | | |
| Building under Construction | 6.14 | 63.70 | 69.83 | - | - | - | - | - | - | 6.14 |
| Plant & Machinery under Installation | 150.55 | 441.70 | 592.25 | - | - | - | - | - | - | 150.55 |
| Total | 156.69 | 505.39 | 662.08 | - | - | - | - | - | - | 156.69 |
| Grand Total | 2452.06 | 1230.38 | 701.48 | 2980.96 | 1080.74 | 266.10 | 32.55 | 1314.29 | 1666.68 | 1371.32 |

FY: 2016-17

(₹ in Lacs)

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|--------------------------------|--------------------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Closing Value as on 31.03.2017 | Closing Value as on 31.03.2016 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land | 87.36 | - | 11.11 | 76.26 | - | - | - | - | 76.26 | 87.36 |
| Freehold Land | 72.08 | - | 7.70 | 64.39 | - | - | - | - | 64.39 | 72.08 |
| Building | 688.02 | - | 2.67 | 685.35 | 277.90 | 39.05 | 1.15 | 315.80 | 369.55 | 410.11 |
| Building (Flat) | 17.71 | 144.55 | - | 162.26 | 6.97 | 0.52 | - | 7.49 | 154.77 | 10.73 |
| Plant & Machinery | 1,753.87 | 12.46 | - | 1,766.33 | 804.12 | 180.59 | - | 984.71 | 781.62 | 949.75 |
| Furniture & Fixtures | 13.90 | 0.32 | - | 14.22 | 6.29 | 2.01 | - | 8.29 | 5.92 | 7.61 |
| Electric Fittings & Installations | 25.02 | - | - | 25.02 | 19.38 | 1.96 | - | 21.34 | 3.68 | 5.64 |
| Effluent Treatment Plant | 0.78 | - | - | 0.78 | 0.55 | 0.05 | - | 0.59 | 0.19 | 0.24 |
| Computer | 24.21 | 1.30 | - | 25.52 | 23.08 | 0.41 | - | 23.49 | 2.02 | 1.13 |
| Office Equipment | 29.56 | 0.67 | - | 30.23 | 22.93 | 2.89 | - | 25.82 | 4.41 | 6.63 |
| Lab Equipment | 3.87 | - | - | 3.87 | 3.03 | 0.29 | - | 3.32 | 0.55 | 0.84 |
| Vehicle | 264.59 | 44.11 | - | 308.70 | 150.04 | 41.34 | - | 191.38 | 117.32 | 114.55 |
| Total | 2980.96 | 203.42 | 21.47 | 3162.91 | 1314.29 | 269.10 | 1.15 | 1582.23 | 1580.68 | 1666.68 |
| Capital WIP | | | | | | | | | | |
| Building under Construction | - | - | - | - | - | - | - | - | - | - |
| Plant & Machinery under Installation | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - |
| Grand Total | 2980.96 | 203.42 | 21.47 | 3162.91 | 1314.29 | 269.10 | 1.15 | 1582.23 | 1580.68 | 1666.68 |

FY: 2017 to Sep 2017

(₹ in Lacs)

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|--------------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|--------------------------------|--------------------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Closing Value as on 30.09.2017 | Closing Value as on 31.03.2017 |
| Tangible Assets | | | | | | | | | | |
| Leasehold Land | 76.26 | - | - | 76.26 | - | - | - | - | 76.26 | 76.26 |
| Freehold Land | 64.39 | - | - | 64.39 | - | - | - | - | 64.39 | 64.39 |
| Building | 685.35 | - | - | 685.35 | 315.80 | 17.61 | - | 333.41 | 351.94 | 369.55 |
| Building (Flat) | 162.26 | - | - | 162.26 | 7.49 | 3.77 | - | 11.25 | 151.00 | 154.77 |
| Plant & Machinery | 1,766.33 | - | - | 1,766.33 | 984.71 | 73.88 | - | 1,058.59 | 707.74 | 781.62 |
| Furniture & Fixtures | 14.22 | - | - | 14.22 | 8.29 | 0.77 | - | 9.07 | 5.15 | 5.92 |
| Electric Fittings & Installations | 25.02 | - | - | 25.02 | 21.34 | 0.64 | - | 21.98 | 3.05 | 3.68 |
| Effluent Treatment Plant | 0.78 | - | - | 0.78 | 0.59 | 0.02 | - | 0.61 | 0.17 | 0.19 |
| Computer | 25.52 | - | - | 25.52 | 23.49 | 0.32 | - | 23.81 | 1.70 | 2.02 |
| Office Equipment | 30.23 | 0.60 | - | 30.83 | 25.82 | 0.90 | - | 26.72 | 4.11 | 4.41 |
| Lab Equipment | 3.87 | - | - | 3.87 | 3.32 | 0.09 | - | 3.41 | 0.45 | 0.55 |
| Vehicle | 308.70 | 2.81 | - | 311.51 | 191.38 | 17.78 | - | 209.16 | 102.35 | 117.32 |
| Total | 3162.91 | 3.40 | - | 3166.32 | 1582.23 | 115.78 | - | 209.16 | 102.35 | 117.32 |
| Capital WIP | | | | | | | | | | |
| Building under Construction | - | - | - | - | - | - | - | - | - | - |
| Plant & Machinery under Installation | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - |
| Grand Total | 3162.91 | 3.40 | - | 3166.32 | 1582.23 | 115.78 | - | 1698.01 | 1468.31 | 1580.68 |

Annexure-XVI

Details of Non-Current Investments:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Investment in Equity Instruments (Unquoted) | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 |
| Total | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 | 0.51 |

Annexure-XVII

Details of Long Term Loans and Advances

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|------------------------|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Security Deposits | 5.06 | 5.06 | 5.06 | 5.06 | 270.07 | 5.07 |
| MAT Credit Entitlement | - | - | - | - | - | - |
| Other Advances | 360.09 | 360.09 | 297.69 | 435.22 | 237.85 | 502.85 |
| Total | 365.15 | 365.15 | 302.75 | 440.28 | 507.92 | 507.92 |

Annexure-XVIII

Details of Other Non-Current Investments:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|--------------|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| MAT Credit | 105.71 | 107.27 | 144.28 | 144.45 | 212.93 | 104.99 |
| Total | 105.71 | 107.27 | 144.28 | 144.45 | 212.93 | 104.99 |

Annexure-XVIII

Details of Current Investments:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|----------------------------|------------------------------------|---------------|----------|----------|----------|----------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Investment in Mutual Funds | 25.00 | 246.50 | - | - | - | - |
| Total | 25.00 | 246.50 | - | - | - | - |

Annexure-XX
Details of inventories:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Raw Materials (Valued at Cost) | 4356.56 | 2832.35 | 2784.56 | 1051.30 | 470.76 | 897.32 |
| Work-in-Progress (Valued at Cost) | 3.92 | 18.10 | 16.74 | 19.68 | 8.72 | 2.67 |
| Finished Goods (Valued at Cost or Realizable Value, Whichever is Lower) | 1161.25 | 1423.34 | 1263.54 | 2883.91 | 2277.55 | 1716.10 |
| Packing Material & Stores (Valued at Cost) | 17.91 | 18.84 | 21.44 | 28.04 | 22.71 | 21.70 |
| Total | 5539.64 | 4292.54 | 4086.28 | 3982.94 | 2779.73 | 2637.79 |

Annexure-XXI
Details of Trade Receivables

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---|------------------------------------|-----------------|---------------|---------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Unsecured, considered good | 314.69 | 216.83 | 188.78 | 18.14 | 41.56 | 11.07 |
| Unsecured, Doubtful | - | - | - | - | 17.47 | 17.47 |
| | 314.69 | 216.83 | 188.78 | 18.14 | 24.09 | (6.40) |
| Provision For Doubtful Debt | - | - | - | - | 17.47 | 17.47 |
| | 314.69 | 216.83 | 188.78 | 18.14 | 41.56 | 11.07 |
| Outstanding for a period less than 6 months | - | - | - | - | - | - |
| Others - unsecured, considered good | 1,803.40 | 1,606.03 | 605.74 | 792.57 | 371.41 | 287.93 |
| | 1,803.40 | 1,606.03 | 605.74 | 792.57 | 371.41 | 287.93 |
| Total | 2,118.09 | 1,822.86 | 794.53 | 810.71 | 395.50 | 281.53 |

Annexure-XXII
Details of Cash & Cash Equivalents:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|---------------------|------------------------------------|---------------|--------------|--------------|---------------|---------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Balance with Banks | | | | | | |
| -In Current Account | 36.96 | 31.65 | 18.88 | 5.93 | 236.27 | 166.48 |
| -In Term Deposit | 33.67 | 32.55 | 46.34 | 45.09 | 18.64 | 470.00 |
| Cash in Hand | 128.79 | 73.09 | 27.05 | 39.60 | 45.47 | 27.00 |
| Total | 199.42 | 137.29 | 92.27 | 90.61 | 300.38 | 663.48 |

Annexure-XXIII
Details of Short Term Loan and Advances:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|-------------|------------------------------------|----------|------|------|------|------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |

| | | | | | | |
|----------------------|----------------|---------------|----------------|---------------|---------------|--------------|
| Advance to Suppliers | 411.53 | 80.13 | 714.92 | 89.10 | 2.02 | 42.76 |
| Other Advances | 364.79 | 361.79 | 118.06 | 24.56 | 24.50 | 46.22 |
| Security Deposit | 360.31 | 162.45 | 374.75 | 368.91 | 237.33 | 10.02 |
| MAT Credit | - | - | - | - | - | - |
| Total | 1136.62 | 604.37 | 1207.72 | 482.56 | 263.85 | 99.00 |

Annexure-XXIV

Details of Other Current Assets:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | March 31 | | | | |
|----------------------|------------------------------------|--------------|--------------|--------------|--------------|-------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Prepaid Expenses | 6.47 | 20.33 | 10.63 | 15.28 | 13.35 | 6.77 |
| MAT Credit | 17.50 | 32.40 | 30.00 | 35.00 | - | - |
| Other Current Assets | | | | | | |
| Total | 6.47 | 20.33 | 10.63 | 15.28 | 13.35 | 6.77 |

Annexure-XXV

Details of Revenue from Operations:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|--------------------------------|------------------------------------|------------------------------|------------------|------------------|------------------|------------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Revenue from Operations | | | | | | |
| Sale of Products | 13,729.67 | 23,468.61 | 33,247.31 | 30,760.25 | 25,150.32 | 20,438.51 |
| Other Operating Income | - | 410.52 | 195.87 | 23.32 | 2.95 | - |
| Total | 13,729.67 | 23,879.13 | 33,443.18 | 30,760.25 | 25,153.27 | 20,438.51 |
| Details of Products sold:- | | | | | | |
| Milk & Milk Products | 13690.32 | 23,426.71 | 33,149.71 | 30,677.46 | 25,077.58 | 20,423.89 |
| Other Products | 39.36 | 41.90 | 97.60 | 82.79 | 72.74 | 14.61 |

Annexure-XXVI

Details of Other Income:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|---------------------------------------|------------------------------------|------------------------------|-------|------|-------|-------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Interest Income | 3.81 | 10.91 | 7.18 | 4.09 | 11.50 | 41.35 |
| Commission | 0.66 | 9.58 | 11.89 | 7.61 | 0.25 | - |
| Other Income | - | - | - | - | - | - |
| Subsidy Received | - | - | 25.00 | - | 25.00 | - |
| Provision for Bad Debts Written Back | | | | | | |
| Profit/(loss) on sale of Investment | 5.92 | - | - | - | - | 0.15 |
| Profit/(loss) on sale of fixed assets | - | - | - | - | - | - |
| Miscellaneous Income | - | 0.23 | 1.25 | - | 0.01 | 0.05 |

| | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | | | | | |
| Total | 10.38 | 20.73 | 45.31 | 11.70 | 36.76 | 41.55 |

Cost of Material Consumed:

(₹ In Lakhs)

| Particulars | Six Months period ended Sept' 2017 | For the year ended March 31, | | | | |
|--|------------------------------------|------------------------------|------------------|------------------|------------------|------------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Raw Material | | | | | | |
| Op Balance | 2,832.35 | 2,784.56 | 1,051.30 | 470.76 | 897.32 | 451.45 |
| Purchase | 13,389.38 | 21,543.21 | 31,044.66 | 29,667.73 | 23,132.58 | 18,869.71 |
| Close Balance | 4,356.56 | 2,832.35 | 2,784.56 | 1,051.30 | 470.76 | 897.32 |
| Consumption | 12,315.18 | 21,495.42 | 29,311.40 | 29,087.19 | 23,559.13 | 18,423.84 |
| Changes in Inventories of Finished Goods & Work-in-Progress | | | | | | |
| Inventories at the beginning of the year | | | | | | |
| Work-in-Progress | 18.01 | 16.74 | 19.68 | 8.72 | 2.67 | 22.35 |
| Finished Goods:- | 1,423.34 | 1,263.54 | 2,883.91 | 2,277.55 | 1716.10 | 1,601.14 |
| Consumption | 1441.35 | 1280.28 | 2903.60 | 2286.26 | 1718.77 | 1623.49 |
| Inventories at the end of the year | | | | | | |
| Work-in-Progress | 3.92 | 18.01 | 16.74 | 19.68 | 8.72 | 2.67 |
| Finished Goods:- | | | | | | |
| Milk Products | 11,612.57 | 1,423.34 | 1,263.54 | 2,883.91 | 2,277.55 | 1,716.10 |
| Consumption | 1165.17 | 1441.35 | 1280.28 | 2903.60 | 2286.26 | 1718.77 |
| Net (Increase) /Decrease | 276.18 | (161.07) | 1623.32 | (617.33) | (567.49) | (95.28) |
| EMPLOYEE BENEFITS EXPENSE: | | | | | | |
| Salary Expense | 101.41 | 228.81 | 206.54 | 200.19 | 128.68 | 137.68 |
| Contribution to Provident & Other Funds | 1.95 | 5.80 | 6.12 | 4.81 | 3.39 | 3.78 |
| Gratuity | 2.26 | 0.68 | - | - | - | - |
| Staff Welfare Expenses | 8.77 | 4.52 | 15.66 | 15.21 | 4.49 | 3.77 |
| Total | 114.39 | 239.81 | 228.33 | 220.21 | 136.55 | 145.23 |
| Finance Cost | | | | | | |
| Interest Expenses | | | | | | |
| i) On Borrowings | 251.34 | 463.14 | 427.64 | 373.43 | 359.13 | 367.72 |
| ii) Others | 0.60 | 0.53 | 0.42 | 0.19 | 1.62 | 0.03 |
| Other Borrowing Cost | 13.60 | 13.23 | 14.57 | 10.19 | 9.81 | 7.67 |
| Total | 265.54 | 476.90 | 442.63 | 383.81 | 370.56 | 375.42 |
| Depreciation & Amortization | | | | | | |

| | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Depreciation Expense | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| Total | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| | | | | | | |
| OTHER EXPENSES | | | | | | |
| Manufacturing Expenses | | | | | | |
| Consumption of Stores & Spare Parts | 17.62 | 25.96 | 35.39 | 35.91 | 28.82 | 24.51 |
| Consumption of Packing Materials | 45.07 | 188.81 | 209.04 | 189.83 | 164.32 | 114.60 |
| Power & Fuel Consumed | 96.45 | 226.63 | 299.91 | 287.06 | 265.84 | 255.90 |
| Other Manufacturing Exp. | 3.06 | 7.87 | 5.96 | 3.53 | 0.41 | 0.82 |
| TOTAL (A) | 162.19 | 449.27 | 550.29 | 516.32 | 459.40 | 395.82 |
| Administrative & Selling Expenses | | | | | | |
| Communication Expenses | 3.44 | 10.31 | 11.28 | 11.84 | 11.00 | 12.33 |
| CSR Expenditure | 5.95 | 11.60 | 10.83 | 7.98 | - | - |
| Bad Debts written off | - | - | - | - | - | 20.00 |
| Rent | 3.82 | 7.54 | 10.76 | 9.10 | 6.99 | 17.06 |
| Rates & Taxes | 2.10 | 11.53 | 3.92 | 7.35 | 268.75 | 185.64 |
| Insurance | 14.89 | 23.26 | 23.15 | 6.48 | 8.61 | 8.49 |
| Legal, Professional & Consultancy Charges | 6.86 | 20.63 | 7.05 | 5.58 | 6.92 | 21.26 |
| Payment to Auditors | 0.60 | 0.60 | 0.57 | 0.56 | 0.28 | 0.28 |
| Printing & Stationery | 1.43 | 1.25 | 1.64 | 2.23 | 1.92 | 3.18 |
| Travelling & Conveyance | 53.25 | 165.70 | 163.21 | 151.91 | 73.33 | 107.98 |
| Donation | 0.05 | 0.06 | 0.40 | 1.57 | 0.31 | 0.95 |
| Repairs to Machinery | 3.99 | 10.33 | 16.18 | 25.39 | 16.36 | 25.29 |
| Repairs to Buildings | 0.35 | 4.69 | 5.36 | 8.60 | 7.82 | 9.52 |
| Repairs & Maintenance (Others) | 4.97 | 19.01 | 25.60 | 18.43 | 17.77 | 18.39 |
| Provision for doubtful trade receivables | | | | | | 17.47 |
| (Profit)/Loss on sale of fixed assets | | | | | | |
| Other Administrative Exp. | 14.86 | 42.36 | 40.49 | 32.29 | 16.67 | 15.64 |
| TOTAL (B) | 116.56 | 328.88 | 320.46 | 289.32 | 436.73 | 463.48 |
| | | | | | | |
| Selling & Distribution Expenses | | | | | | |
| Advertisement & Publicity Expenses | 8.19 | 26.91 | 16.21 | 8.26 | 6.90 | 23.16 |
| Commission on Consignment Sales | - | 30.83 | 29.32 | 3.74 | 3.76 | 3.41 |
| Consignment Sales Expenses | 0.67 | 36.33 | 2.42 | 1.58 | 2.93 | 9.18 |
| Freight & Cartage | 49.40 | 123.14 | 81.28 | 77.04 | 26.41 | 12.15 |
| Royalty | - | - | - | - | - | 16.42 |
| Rebate & Discount | - | - | 1.79 | 30.92 | 22.83 | 22.01 |
| TOTAL (C) | 58.25 | 217.20 | 131.04 | 121.54 | 62.82 | 86.33 |
| Total (A+B+C) | 322.15 | 952.99 | 961.30 | 894.88 | 942.28 | 930.00 |
| | | | | | | |
| Exceptional Items | | | | | | |
| Profit on Sale of Fixed Assets | - | (3.18) | (4.55) | (3.20) | 0.58 | 1.60 |
| Total | - | (3.18) | (4.55) | (3.20) | - | 1.60 |

Annexure XXVII

Details of Related Party Transactions

(₹ in Lacs)

| Name | Relationship | Nature of Transaction | Amount of Transaction upto 30.09.2017 | Amount Outstanding as on 30.09.2017 (Payable) / Receivable | Amount of Transaction upto 31.03.2017 | Amount Outstanding as on 31.03.2017 (Payable) / Receivable | Amount of Transaction upto 31.03.2016 | Amount Outstanding as on 31.03.2016 (Payable) / Receivable | Amount of Transaction upto 31.03.2015 | Amount Outstanding as on 31.03.2015 (Payable) / Receivable | Amount of Transaction upto 31.03.2014 | Amount Outstanding as on 31.03.2014 (Payable) / Receivable | Amount of Transaction upto 31.03.2013 | Amount Outstanding as on 31.03.2013 (Payable) / Receivable |
|-------------------------------|--|-----------------------|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|---------------------------------------|--|
| CIMA Dairy and Foods Ltd. | Enterprises commonly controlled or influenced by major shareholders / directors/ key managerial personnel. | Advance for customers | - | - | - | - | - | - | - | - | - | - | - | - |
| | | Sales | | | | | | | | | | | 49.25 | 1.46 |
| Stock Option Xpress Pvt. Ltd. | Enterprises commonly controlled or influenced by major shareholders / directors/ key managerial personnel. | Investment | - | - | - | 0.50 | - | 0.50 | - | 0.50 | - | 0.50 | - | 0.50 |
| Verifresh Dairies Ltd. | Enterprises commonly controlled or influenced by major shareholders / directors/ key managerial personnel. | Loans & Advances | 2.60 | 76.12 | 4.29 | 73.09 | - | 34.43 | - | 32.11 | - | 12.64 | - | 12.13 |
| Grow Home Developers Pvt. Ltd | Enterprises commonly controlled or | Loans & Advances | - | 0.5 | - | 0.50 | - | 0.50 | - | - | - | - | - | - |

| | | | | | | | | | | | | | | |
|---------------------------------|--|------------------|--------|--------|------|--------|--------|---------|---------|--------|--------|--------|----|--------|
| | influenced by major shareholders / directors/ key managerial personnel. | | | | | | | | | | | | | |
| Agrim Foods LLP | Enterprises commonly controlled or influenced by major shareholders / directors/ key managerial personnel. | Sales | 309.81 | 127.23 | - | - | - | 0 | - | - | - | - | - | - |
| | | Purchases | 48.50 | | - | - | - | 0 | - | - | - | - | - | - |
| Bhiwadi Milk Products Pvt. Ltd. | Enterprises commonly controlled or influenced by major shareholders / directors/ key managerial personnel. | Sales | - | 197 | - | 197 | - | 188 | 858.28 | 117.89 | - | - | - | - |
| | | Purchases | - | | - | | 257.89 | | 1549.06 | | 160.88 | | - | |
| Mrs. Sonia Mehra | Major shareholder | Rent | 0.54 | (0.04) | 0.48 | (4.85) | 0.48 | (11.38) | 0.48 | (1.89) | 0.48 | (6.36) | - | - |
| | | Remuneration | 18 | | 36 | | 30 | | 30 | | 22.50 | | - | |
| Mr. Atul Mehra | Key Managerial Personnel | Rent | 1.20 | 355 | 1.50 | 355 | 1.5 | 355 | 1.50 | 355 | 1.50 | 265 | - | (0.77) |
| | | Remuneration | 30 | | 60 | | 42 | | 42 | | 30 | | 30 | |
| | | Royalty | | | | | | | | | | | | |
| | | Security Deposit | | | | | | | | | | | | |
| Ms. Nishi Sheikh | Key Managerial Personnel | Remuneration | 0.18 | - | - | - | - | - | - | - | - | - | - | |
| CS. Shalini Agarwal | Key Managerial Personnel | Remuneration | - | - | - | - | - | 0.38 | - | - | - | - | - | |
| Mr. Kawalpreet | Key Managerial | Remuneration | 0.71 | - | 0.29 | - | - | - | - | - | - | - | - | |

| Arora | Personnel | | | | | | | | | | | | | |
|-------------------|---------------------------------------|--------------|------|--------|------|--------|-------|--------|------|--------|------|-------|---|--------|
| Mr. Arpit Mehra | Relatives of Key Managerial Personnel | Remuneration | 15 | (0.10) | 30 | (4.94) | 17.50 | -0.28 | 24 | (0.18) | 6.00 | 14.86 | - | (3.46) |
| Mrs. Devika Mehra | Relatives of Key Managerial Personnel | Remuneration | 2.40 | - | 4.80 | (2.17) | 3 | (0.50) | 3.00 | (3) | - | - | - | - |
| Mr. P.N. Mehra | Relatives of Key Managerial Personnel | Remuneration | 0.62 | - | 1.44 | | 1.44 | - | 1.44 | - | 1.44 | - | - | - |
| Mrs. Veena Mehra | Relatives of Key Managerial Personnel | Remuneration | 0.62 | - | 1.44 | | 1.44 | - | 1.44 | - | 1.44 | - | - | - |
| Mr. M. K. Singh | Director | Remuneration | 1.34 | - | 3.00 | | 2.76 | - | 2.90 | - | 2.40 | - | - | - |

Annexure-XXVIII
Details of Accounting Ratios

(₹ In Lakhs, except per share data)

| Particulars | Six Months ended September 30 | For the year ended March 31, | | | | |
|---|---|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2017 | 2017 | 2016 | 2015 | 2014 | 2,013 |
| Restated PAT as per P& L Account | 242.81 | 451.73 | 461.72 | 444.95 | 542.76 | 451.62 |
| Weighted Average Number of Equity Shares at the end of the Year/Period* | 150 | 9 | 9 | 9 | 9 | 9 |
| Number of Equity Shares outstanding at the end of the Year/Period | 150 | 9 | 9 | 9 | 9 | 9 |
| Net Worth | 3,674.85 | 3,434.20 | 2,982.27 | 2,528.03 | 2,072.64 | 1,529.88 |
| Earnings Per Share | 1.62 | 50.19 | 51.30 | 49.44 | 60.31 | 51.60 |
| Basic & Diluted | 1.62 | 50.19 | 51.30 | 49.44 | 60.31 | 51.60 |
| Return on Net Worth (%) | 6.61 | 13.15 | 15.48 | 17.60 | 26.03 | 30.10 |
| Net Asset Value Per Share (Rs) | 24.50 | 381.58 | 331.36 | 280.89 | 231.71 | 171.41 |
| Nominal Value per Equity share (₹) | 10 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Ratios have been calculated as below | | | | | | |
| Basic and Diluted Earnings Per Share (EPS) (₹) | 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 Profit after Tax available to equity Shareholders | | | | | |
| Net Asset Value per equity share (₹) | Restated Net Worth of Equity Shareholders / Number of Equity Shares outstanding at the end of the year period | | | | | |

Annexure-XXIX
Capitalization Statement as at 30th September, 2017:

(₹ In Lakhs)

| Particulars | Pre Issue | Post Issue |
|---|-----------------|-----------------|
| Borrowings | | |
| Short term debt (A) | 3,926.32 | 3,926.32 |
| Long Term Debt (B) | 495.45 | 495.45 |
| Total debts (C) | 4,421.77 | 4,421.77 |
| Shareholders' funds | | |
| Equity share capital | 1,500.00 | 2043.00 |
| Reserve and surplus - as restated | 2,186.85 | 4075.35 |
| Total shareholders' funds | 3,686 | 3,686 |
| Long term debt / shareholders' funds | 0.13 | 0.08 |
| Total debt / shareholders' funds | 1.20 | 0.72 |

Annexure-XXXX
Statement of Tax Shelters:

(₹ In Lakhs)

| | Particulars | Six Months period ended 30 Sept' | For the year ended March 31, | | | | |
|------|--|----------------------------------|------------------------------|--------|---------|--------|--------|
| | | | 2017 | 2017 | 2016 | 2015 | 2014 |
| | Restated Profit before tax (A) | 315.99 | 587.54 | 619.48 | 574.72 | 542.10 | 459.04 |
| | Tax Rate (%) | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% | 30.90% |
| | MAT Rate | 19.06% | 19.06% | 19.06% | 19.06% | 19.06% | 19.06% |
| | Adjustments : | | | | | | |
| | (1) Permanent Differences | | | | | | |
| Add: | Donation | 0.05 | - | - | 1.57 | 0.31 | 0.95 |
| | Interest on TDS | - | 0.22 | - | - | - | - |
| | Provision for doubtful debts | - | - | - | - | - | 17.47 |
| | Provision for doubtful debts written off | - | - | - | (17.47) | - | - |
| | Provision for CSR | 5.95 | - | - | 7.98 | - | - |
| | Disallowance u/s 37 | - | 11.88 | 11.42 | - | - | 3.00 |
| | Interest On late payment of TDS | 0.05 | - | - | 0.09 | 0.04 | - |
| | Profit/Loss on sale of Fixed Assets | - | (3.18) | (4.55) | (3.20) | 0.58 | 1.60 |
| | Total Permanent Differences(B) | 6.05 | 8.92 | 6.87 | (11.03) | 0.93 | 23.02 |
| | (2) Timing Differences | | | | | | |
| Add: | Disallowed U/s 40 A | 1 | 1 | 2.43 | 11.68 | 35.09 | 0.03 |
| | Difference between tax | 24 | 66 | (64) | 77 | 26 | 35 |

| | | | | | | | |
|-------|---|---------------|---------------|----------------|---------------|---------------|---------------|
| | depreciation and book depreciation | | | | | | |
| | Total Timing Differences (C) | 25.50 | 66.39 | (61.18) | 88.56 | 61.15 | 35.00 |
| | | - | - | - | - | - | - |
| | Net Adjustments D = (B+C) | 31.55 | 75.31 | (54.31) | 77.53 | 62.09 | 58.02 |
| | | - | - | - | - | - | - |
| | GROSS TOTAL INCOME | 347.34 | 662.85 | 565.16 | 652.25 | 604.19 | 517.06 |
| | | - | - | - | - | - | - |
| Less: | STCL (E) | - | - | - | - | - | 0.15 |
| Less: | Deduction u/s 80 IB (F) | 101.62 | 195.52 | 167.40 | 194.45 | 602.50 | 475.56 |
| | | - | - | - | - | - | - |
| | NET TOTAL INCOME(A+D-E-F) | 245.92 | 467.34 | 397.77 | 457.80 | 1.68 | 41.35 |
| | | - | - | - | - | - | - |
| | Restated Profit for The Purpose of MAT | 316.91 | 587.76 | 619.48 | 574.72 | 542.10 | 459.04 |
| | MAT Credit | - | 34.68 | 5.21 | 36.37 | - | - |
| | Income Tax as per MAT | 64.43 | 119.84 | 126.30 | 114.99 | 108.46 | 91.84 |
| | Income Tax as computed | 81.31 | 154.52 | 131.51 | 151.36 | 0.52 | 12.78 |
| | Tax paid as per normal or MAT | Income Tax | Income Tax | Income Tax | Income Tax | MAT | MAT |

Contingent Liabilities as on 31.03.2013

The Income Tax Assessment of the Company has been completed up to Assessment Year 2011-2012. However, the Company is in Appeal before the Appellate Authorities against the Assessment of the earlier years. The Company expects to succeed in these proceedings and hence no additional provision is considered necessary.

Contingent Liabilities as on 31.03.2014

The Income Tax Assessment of the Company has been completed up to Assessment Year 2011-2012. However, the Company is in Appeal before the Appellate Authorities against the Assessment of the earlier years. The Company expects to succeed in these proceedings and hence no additional provision is considered necessary.

Contingent Liabilities as on 31.03.2015

The Income Tax Assessment of the Company has been completed up to Assessment Year 2012-2013. However, the Company is in Appeal before the Appellate Authorities against the Assessment of the earlier years. The Company expects to succeed in these proceedings and hence no additional provision is considered necessary.

Contingent Liabilities as on 31.03.2016

The Income Tax Assessment of the Company has been completed up to Assessment Year 2013-2014. However, the Company is in Appeal before the Appellate Authorities against the Assessment of the earlier years. The Company expects to succeed in these proceedings and hence no additional provision is considered necessary.

Contingent Liabilities as on 31.03.2017

The Income Tax Assessment of the Company has been completed up to Assessment Year 2016-17. However, the Company has filed application u/s 154 of Income Tax Act, 1961 for rectification against the Assessment of earlier years. The Company expects to succeed in these proceedings and hence no additional provision is considered necessary.

Contingent Liabilities as on 30.09.2017

The Income Tax Assessment of the Company has been completed up to Assessment Year 2016-17. However, the Company has filed application u/s 154 of Income Tax Act, 1961 for rectification against the Assessment of earlier years. The Company expects to succeed in these proceedings and hence no additional provision is considered necessary.

Reconciliation of Restated Profit:

(₹ In Lakhs)

| Adjustments for | Six Months ended September 30 | For the year ended March 31, | | | | |
|--|-------------------------------|------------------------------|---------------|---------------|---------------|---------------|
| | 2017 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account | 243.73 | 451.93 | 454.24 | 442.17 | 544.69 | 464.75 |
| Adjustments for: | | | | | | |
| Short/excess Provision Of tax | | (0.19) | 7.48 | 2.78 | (1.93) | (0.35) |
| Gratuity Provision | (0.92) | | | | | |
| Net Profit/ (Loss) After Tax as Restated | 242.81 | 451.73 | 461.72 | 444.95 | 542.76 | 464.40 |

Adjustments having impacts on Profit

1. Provision of Tax:

Income Tax provision has been adjusted for items like Income Tax Related to Earlier Years and Short Provision For earlier Year

2. Gratuity Provision:

Gratuity provision has been revised due to short provision of gratuity.

Material Regrouping

W.e.f. April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for Preparation and Presentation of its Financial Statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 01, 2011, for Preparation and presentation of its Financial Statements. The adoption of Schedule III/ Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

There is no significant impact on the presentation and disclosures made in the Financial Statements on adoption of Schedule III as compared to Revised Schedule VI. Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with schedule III and the requirement of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

MANAGEMENTS 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 as of and for the quarter ended June 30, 2017 and the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with the Companies Act, 1956 and Companies Act, 2013 to the extent applicable and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in 'Financial Statements' beginning on page 132 of this Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in 'Risk Factors' and 'Forward-Looking Statements' beginning on pages no's 14 and 13 respectively of this Prospectus.

Business Overview

Our Company was originally incorporated as a private limited company on 30th July, 1992 under the name Tasty Dairy Specialities Private Limited vide certificate of Incorporation dated July 30, 1992, issued by the Registrar of Companies, Kanpur under the provisions of Companies Act 1956. Subsequently our Company was converted into a public limited company pursuant to special resolution passed at the Extra-ordinary General Meeting of our Company held on April 10, 2004 and the name of our company was changed to "Tasty Dairy Specialities Limited" Upon conversion into a public limited company, a fresh certificate of incorporation was issued by the Registrar of Companies, Kanpur on November 25, 2004. The Corporate Identification Number of our Company is U15202UP1992PLC014593.

Our Company is currently involved in processing milk, along with bulk milk procurement and handling during season time which primarily caters to bulk and marquee institutional customers. Company is also involved in value added milk products like SMP, butter, ghee, dairy whitener, concentrated milk etc.

Summary of the Results of Operation:

The following table sets forth select financial data from restated Profit and Loss accounts for the period ended March 31, 2017, 2016, 2015, 2014, and 2013 and the components of which are also expressed as a percentage of total income for such periods.

| Particulars | For The Period Ended Sept' 2017 | For the year ended March 31, | | | | |
|---|---------------------------------|------------------------------|------------------|------------------|------------------|------------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| <i>(₹ in Lakhs)</i> | | | | | | |
| <u>Revenue:</u> | | | | | | |
| Revenue From Operations (Net of Taxes) | 13,729.67 | 23,879.13 | 33,443.18 | 30,783.58 | 25,153.27 | 20,438.51 |
| <i>As a % of Total Revenue</i> | <i>99.88%</i> | <i>99.91%</i> | <i>99.86%</i> | <i>99.96%</i> | <i>99.85%</i> | <i>99.80%</i> |
| Other Income | 16.30 | 20.73 | 45.31 | 11.70 | 36.76 | 41.55 |
| <i>As a % of Total Revenue</i> | <i>0.12%</i> | <i>0.09%</i> | <i>0.14%</i> | <i>0.04%</i> | <i>0.15%</i> | <i>0.20%</i> |
| Total Revenue | 13,745.97 | 23,899.86 | 33,488.49 | 30,795.28 | 25,190.03 | 20,480.06 |
| <u>Expenses:</u> | | | | | | |
| Cost of Material Consumed | 12,315.18 | 21,495.42 | 29,311.40 | 29,087.19 | 23,559.13 | 18,423.84 |
| Purchase of Stock-in -Trade | - | - | - | - | - | - |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 276.18 | -161.07 | 1,623.32 | -617.33 | -567.49 | -95.28 |
| Employee benefit expenses | 114.39 | 239.81 | 228.33 | 220.21 | 136.55 | 145.23 |

| Particulars | For The Period Ended Sept' 2017 | For the year ended March 31, | | | | |
|---|---------------------------------|------------------------------|------------------|------------------|------------------|------------------|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Financial Cost | 265.54 | 476.90 | 442.63 | 383.81 | 370.56 | 375.42 |
| Depreciation and amortization expenses | 115.78 | 269.10 | 266.10 | 222.71 | 189.64 | 224.58 |
| Others Expenses | 337.01 | 995.35 | 1,001.79 | 927.18 | 958.95 | 945.63 |
| Total Expenses | 13,424.08 | 23,315.50 | 32,873.56 | 30,223.76 | 24,647.35 | 20,019.42 |
| <i>As a % of Total Revenue</i> | 97.65% | 97.55% | 98.16% | 98.14% | 97.85% | 97.75% |
| Profit before exceptional, extraordinary items and tax | 322.82 | 584.36 | 614.92 | 571.52 | 542.68 | 460.64 |
| <i>As a % of Total Revenue</i> | 2.35% | 2.45% | 1.84% | 1.86% | 2.15% | 2.25% |
| Less: Exceptional Items | - | - | - | - | - | - |
| Profit before extraordinary items and tax (A-B) | 315.99 | 584.36 | 614.92 | 571.52 | 542.68 | 460.64 |
| <i>As a % of Total Revenue</i> | 2.31% | 2.45% | 1.84% | 1.86% | 2.15% | 2.25% |
| Prior Period Items | - | - | - | - | - | - |
| Extra ordinary items | - | -3.18 | -4.55 | -3.20 | 0.58 | 1.60 |
| Profit before tax | 315.99 | 587.54 | 619.48 | 574.72 | 542.10 | 459.04 |
| <i>As a % of Total Revenue</i> | 2.31% | 2.46% | 1.85% | 1.87% | 2.15% | 2.24% |
| <i>Tax expense :</i> | | | | | | |
| Current tax | 64.61 | 122.83 | 130.58 | 123.99 | 115.93 | 98.35 |
| MAT Credit Entitlement | 17.00 | 34.61 | 5.17 | 33.48 | -107.94 | -79.07 |
| Income tax relating to earlier year | - | - | - | - | - | - |
| Deferred Tax | -8.43 | -21.63 | 22.01 | -27.69 | -8.65 | -11.86 |
| Mat Assets | - | - | - | - | - | - |
| Total Tax Expenses | 73.18 | 135.81 | 157.76 | 129.77 | -0.66 | -5.36 |
| <i>As a % of Total Revenue</i> | 0.53% | 0.57% | 0.47% | 0.42% | 0.00% | -0.03% |
| Profit/(Loss) for the period After Tax- PAT | 242.81 | 451.73 | 461.72 | 444.95 | 542.76 | 451.62 |
| <i>As a % of Total Revenue</i> | 1.77% | 1.89% | 1.38% | 1.44% | 2.15% | 2.27% |

Overview on Result of Operations:

Comparison of Financial Year Ended March 31, 2017 with Financial Year Ended March 31, 2016

Revenue from Operations:

The operating income of the Company has decreased from ₹33,443.18 Lakhs in FY 2015-2016 to ₹23,879.13 Lakhs in FY 2016-2017. The decrease is due to the impact of demonetization. The company decided to reduce exposure to certain customers who were dealing more in cash and resulting in substantial profit.

Other Income:

The Other Income of the Company has decreased from ₹45.31 Lakhs in FY 2015-2016 to ₹20.73 Lakhs in FY 2016-2017. The company had decided to focus on its core business and realigned its business to cater to companies which provide certain turnover or margins to the company and hence such decrease. Further we have accounted for a figure of 25.00 lakhs of subsidy in the FY 2015-2016.

Expenditure:

The expenditure of the Company has decreased from ₹32,873.56 Lakhs in FY 2015-2016 to ₹23,315.50 Lakhs in FY 2016-2017. The decrease is due to decrease in turnover and a marginal increase in efficiency.

Cost of Material Consumed:

The cost of Material consumed has decreased from ₹29,311.40 Lakhs in FY 2015-2016 to ₹21,495.42 Lakhs in FY 2016-2017. The decrease is due to decrease in turnover.

Finance Cost:

The Finance Cost has increased from ₹442.63 Lakhs in FY 2015-2016 to ₹476.90 Lakhs in FY 2016-2017. The Increase is due to change in policies whereby we have shifted our focus from retail customers to institutional customers for which we have to give them extra credit facilities.

Other Expenses:

Other Expenses has decreased from ₹1,001.79 Lakhs in FY 2015-2016 to ₹995.35 Lakhs in FY 2016-2017. The decrease is due to decrease in turnover but it was not substantial as it also includes administrative cost which is generally same for every year.

Profit before exceptional & extraordinary items and Tax:

The profit before exceptional & extraordinary items & tax has decreased from ₹614.92 Lakhs in FY 2015-2016 to ₹584.36 Lakhs in FY 2016-2017. The decrease is due to disruption in Indian economy but our operational margin has grown due to increase in efficiency.

Net Profit after Tax and Extraordinary items:

The PAT has decreased from ₹461.72 Lakhs in FY 2015-2016 to ₹451.73 Lakhs in FY 2016-2017. The decrease is due to decrease in our revenue but our Net Profit margin has increased due to increase in efficiency.

Comparison of Financial Year Ended March 31, 2016 with Financial Year Ended March 31, 2015

Revenue from Operations:

The operating income of the Company has increased from ₹30,783.48 Lakhs in FY 2014-2015 to ₹33,443.18 Lakhs in FY 2015-2016. The increase is due to Increase in turnover.

Other Income:

The Other Income of the Company has increased from ₹11.70 Lakhs in FY 2014-2015 to ₹40.31 Lakhs in FY 2015-2016. The increase is due to large amount of subsidy received by the company.

Expenditure:

The expenditure of the Company has increased from ₹30,223.76 Lakhs in FY 2014-2015 to ₹32,873.56 Lakhs in FY 2015-2016. The increase is due to increase in turnover.

Cost of Material Consumed:

The cost of Material consumed has increased from ₹29,087.19 Lakhs in FY 2014-2015 to ₹29,311.40 Lakhs in FY 2015-2016. The increase is due to increase in turnover.

Finance Cost:

The Finance Cost has increased from ₹383.81 Lakhs in FY 2014-2015 to ₹442.63 Lakhs in FY 2015-2016. The increase is due to increase in institutional sales.

Other Expenses:

Other Expenses has increased from ₹927.18 Lakhs in FY 2014-2015 to ₹1,001.79 Lakhs in FY 2015-2016. The increase is due to increase in turnover.

Profit before exceptional & extraordinary items and Tax:

The profit before exceptional & extraordinary items & tax has increased from ₹571.52 Lakhs in FY 2014-2015 to ₹614.92 Lakhs in FY 2015-2016. The increase is due to increase in turnover.

Net Profit after Tax and Extraordinary items:

The PAT has increased from ₹444.95 Lakhs in FY 2014-2015 to ₹461.72 Lakhs in FY 2015-2016. The increase is due to increase in turnover and efficiency.

Comparison of Financial Year Ended March 31, 2015 with Financial Year Ended March 31, 2014

Revenue from Operations:

The operating income of the Company has increased from ₹25,153.27 Lakhs in FY 2013-2014 to ₹30,783.48 Lakhs in FY 2014-2015. The increase is due to increase in turnover.

Other Income:

The Other Income of the Company has decreased from ₹36.76 Lakhs in FY 2013-2014 to ₹11.70 Lakhs in FY 2014-2015. The decrease is due to decrease in miscellaneous income.

Expenditure:

The expenditure of the Company has increased from ₹24,647.35 Lakhs in FY 2013-2014 to ₹30,223.76 Lakhs in FY 2014-2015. The increase is due to increase in turnover.

Cost of Material Consumed:

The cost of Material consumed has increased from ₹23,559.13 Lakhs in FY 2013-2014 to ₹29,087.19 Lakhs in FY 2014-2015. The increase is due to increase in turnover.

Finance Cost:

The Finance Cost has increased from ₹370.56 Lakhs in FY 2013-2014 to ₹383.81 Lakhs in FY 2014-2015. The increase is due to increase in turnover and also the increase in credit facilities to the customer.

Other Expenses:

Other Expenses has decreased from ₹958.95 Lakhs in FY 2013-2014 to ₹927.18 Lakhs in FY 2014-2015. The decrease is due to decrease in rates & taxes and insurance.

Profit before exceptional & extraordinary items and Tax:

The profit before exceptional & extraordinary items & tax has increased from ₹542.68 Lakhs in FY 2013-2014 to ₹571.52 Lakhs in FY 2014-2015. The increase is due to increase in turnover

Net Profit after Tax and Extraordinary items:

The PAT has decreased from ₹542.76 Lakhs in FY 2013-2014 to ₹444.95 Lakhs in FY 2014-2015. The decrease is due to benefit of MAT Credit availed in the previous year.

Details of material developments after the date of last balance sheet i.e. September 30, 2017

No circumstances have arisen since the date of last financial statement until the date of filing this Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor's Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

FINANCIAL INDEBTEDNESS

Financial Indebtedness from Punjab National Bank

Date of Sanction / Modification: September 11, 2017

Charge Holder: Punjab National Bank

FACILITY 1: CASH CREDIT (CC)

| Particulars | |
|----------------------------------|-------------------------------------|
| Facility Name | Cash Credit Limit |
| Extent of Credit | ₹3200.00 Lakh (Sanctioned Limit) |
| Utilized as on September 30,2017 | ₹31,47,12,282/- |
| Utilized as on November 30,2017 | ₹31,55,43,998/- |
| Purpose | To meet Working Capital requirement |

Terms & Conditions

| Sr. No. | Description of Security |
|---------|--|
| 1. | The present and future Goods, stock of raw material, work in progress, finished goods, consumables, stores and spares lying at godowns / in transit / at consignee godown related to business activity of the unit. |
| 2. | The present and future book debts, outstanding decrees, money receivables, claims, securities, government subsidies, investments, rights and other movable assets excluding bills purchased/discounted by the bank and bills against which advances have been made related to business activity of the unit. |
| 3. | D-3, Jainpur Industrial Area, Kanpur Dehat, Area in Sq M or Sq Ft – 16125.80 sq meters Realizable Value : ₹424.25 lakhs Basis of Valuation: Valuation report of M/s Pahawa Archtech Services (dated – 27.08.2012) |

| | |
|-----------------------------|--|
| Margin | Stock :25% Book Debt: 25% |
| Age of Book Debts (in days) | 90 days |
| Rate of Interest | - Before 11.09.2017, 1.25% p.a. above base rate i.e. 11.50% p.a. with monthly rest. - w.e.f. 11.09.2017, 1.25% over the base rate up to ₹27 Crore & 3.25% over the base rate more than ₹27 Crore i.e. presently 10.85% and 12.85% p.a. with monthly rest. |

FACILITY 2: Letter of Guarantee

| Particulars | |
|----------------------------------|--|
| Facility Name | Letter of Guarantee |
| Extent of Credit | ₹ 100.00 Lakhs |
| Utilized as on September 30,2017 | ₹ NIL |
| Utilized as on November 30, 2017 | ₹ NIL |
| Purpose | Performance Guarantee connected with the activity of the borrower. |

Terms & Conditions

| | |
|-------------------------|--|
| Description of Security | Counter indemnity from the borrower. Security available in CC (H) facility shall also be available as security for this facility as well along with other non-fund based limits. |
| Margin | 10% margin shall be cash margin kept in Fixed Deposit or in current account, under bank lien. |

| | |
|------------|------------------------------------|
| Commission | As per bank's schedule of charges. |
|------------|------------------------------------|

FACILITY 3: Term Loan (Plant & Machinery)

| Particulars | |
|-------------------------------------|--------------------------------------|
| Facility Name | Term Loan |
| Extent of Credit | ₹ 495.00 Lakhs |
| Outstanding as on September 30,2017 | ₹ 3,75,78,279/- |
| Outstanding as on November 30, 2017 | ₹ 3,56,82,669/- |
| Purpose | For acquisition of Plant & Machinery |

Terms & Conditions

| | |
|-------------------------|--|
| Description of Security | Exclusive charge on present and future block of assets of the company by way Hypothecation of Plant, Machinery & Equipment's etc. |
| Margin | Minimum 25% on plant & machinery |
| Rate of Interest | BR + 1.75% i.e. 12.00% .p.a. linked to BR, compounded monthly & subject to change as per Bank Guidelines. Interest to be recovered as and when levied. |

FACILITY 4: Term Loan (Construction of Factory Building)

| Particulars | |
|-------------------------------------|--------------------------------------|
| Facility Name | Term Loan |
| Extent of Credit | ₹ 30.00 Lakhs |
| Outstanding as on September 30,2017 | ₹ 22,77,076/- |
| Outstanding as on November 30, 2017 | ₹ 21,62,571/- |
| Purpose | For construction of Factory Building |

Terms & Conditions

| | |
|-------------------------|---|
| Description of Security | D-3, Jainpur Industrial Area, Kanpur Dehat. Area in Sq M or Sq Ft – 16125.80 sq meters Realizable Value : ₹ 424.25 lakhs Basis of Valuation: As per Valuation report of M/s Pahawa Archtech Services (dated – 27.08.2012) |
| Margin | 25% on Building |
| Rate of Interest | BR + 1.75% i.e. 12.00% .p.a. linked to BR, compounded monthly & subject to change as per Bank Guidelines. Interest to be recovered as and when levied. |

Following are the personal guarantors for the above Facilities:

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---------|-----------------------|-------------------------------|
| 1. | Mr. Atul Mehra | Director |
| 2. | Mr. P. N. Mehra | Director |
| 3. | Mr. M. K. Singh | Director |

Collateral Security for the above Facilities:

| Sr. No. | Description of Property | Ownership | Realizable Value (₹ In Lakhs) | Basis of Valuation |
|---------|-------------------------|-----------|-------------------------------|--------------------|
|---------|-------------------------|-----------|-------------------------------|--------------------|

| | | | | |
|---|---|---------|--------|--|
| 1 | Flot No. 6, Gr. Floor,12/483, B-G-6, Ratandham, Macrobertganj, Kanpur Area in Sq M or Sq Ft – 128.14 sq meters | Company | 38.78 | As per Valuation report of M/s Pahawa Archtech Services (dated - 18.08.2012) |
| 2 | Factory Land & Building at C-1 , Panki Site-V, Kanpur Area in Sq M or Sq Ft – 1000 sq meters | Company | 102.70 | As per Valuation report of M/s Pahawa Archtech Services (dated –25.08.2012) |
| 3 | D-5 UPSIDC Jainpur-Kanpur Dehat Area in Sq M or Sq Ft –19403.88 sq meters | Company | 254.19 | As per Valuation report of M/s Pahawa Archtech Services (dated - 27.08.2012) |
| 4 | Land situated at 2/3 portion of Gata No. 11 Rakba 0.1310, 1/9 portion of Gata No. 12 Rakba 0.0146 and Plot No. 10,13 & 5/6 portion of Gata No. 12 Rakba 0.0146 of Gata No. 12 Rakba 0.0146 Of village Shahjahanpur, Tehsil Bindki, Fatehpur Area in Sq M or Sq Ft –0.4825 Hectares | Company | 59.93 | As per Valuation report of M/s Pahawa Archtech Services (dated - 28.08.2012) |
| 5 | Land situated at Gram Jasra, Tehsil Safipur, District Unnao at Araj No. 182 A & 182B Area in Sq M or Sq Ft – 0.439 Hectares | Company | 51.22 | As per Valuation report of M/s Pahawa Archtech Services (dated - 28.08.2012) |
| 6 | Land situated at Gram Nihauli Pargna Auriya, District Auriya on Plot No. 718 Area in Sq M or Sq Ft – 2876.0 sq meters | Company | 62.91 | As per Valuation report of M/s Pahawa Archtech Services (dated - 27.08.2012) |
| 7 | Land situated at Araj No. 328, Gram Abhyapur Mustkil, Bindki, District Fatehpur Area in Sq M or Sq Ft – 0.2633 Hectares | Company | 46.54 | As per Valuation report of M/s Pahawa Archtech Services (dated -28.08.2012) |
| 8 | Land situated at Gram Maviyasafi, Pargna Haddha, Tehsil Unnao, Khasra No. 223 and Khasra no. 224 Area in Sq M or Sq Ft – 0.577 Hectares | Company | 83.25 | As per Valuation report of M/s Pahawa Archtech Services (dated - 28.08.2012) |
| 9 | Land situated at Gata No. 1164, Village Kakwan, tehsil Bilhaur, District Kanpur Area in Sq M or Sq Ft – 0.887 Hectares | Company | 41.60 | As per Valuation report of M/s Pahawa Archtech Services (dated - 28.08.2012) |

Financial Indebtedness from IndusInd Bank Limited

Date of Sanction/Modification: December 28,
2016

Charge Holder: IndusInd Bank Limited

FACILITY: CASH CREDIT (CC)

| Particulars | |
|----------------------------------|-------------------------------------|
| Facility Name | Cash Credit Limit |
| Extent of Credit | ₹ 800.00 Lakhs (Sanctioned Limit) |
| Utilized as on September 30,2017 | ₹ 3,77,84,020/- |
| Utilized as on November 30, 2017 | ₹ 1,15,14,300/- |
| Purpose | To meet Working Capital requirement |

Terms & Conditions

| | |
|-------------------------|--|
| Description of Security | Primary security by way of pledge of Stock (i.e. Skimmed Milk Powder & Ghee) stored in approved warehouse. |
| Margin | SMP – 30% GHEE – 35% |
| Rate of Interest | 10.35% (6 Months MCLR + 1%) |

Following are the personal guarantors for the above Facilities:

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---------|-----------------------|-------------------------------|
| 1. | Mr. Atul Mehra | Director |
| 2. | Mr. Arpit Mehra | Son of Director |

Financial Indebtedness from Yes Bank Limited

Date of Sanction/Modification: August 20, 2016

Charge Holder: Yes Bank Limited

FACILITY: SALES INVOICE DISCOUNTING (SID)

| Particulars | |
|----------------------------------|--------------------------------------|
| Facility Name | Sales Invoice Discounting (SID) |
| Extent of Credit | ₹1100.00 Lakhs (Sanctioned Limit) |
| Utilized as on September 30,2017 | ₹1,81,94,798/- |
| Utilized as on November 30, 2017 | ₹7,98,59,905/- |
| Purpose | To meet Working Capital requirement. |

Terms & Conditions

| | |
|-------------------------|--|
| Description of Security | Subservient charge by way of hypothecation on the company's entire current assets and movable fixed assets, both present and future. |
| Margin | 5% of Invoice Value. |
| Rate of Interest | 1.75% (SPREAD) over and above Bank's 3 Month MCLR. |

Following are the personal guarantors for the above Facility:

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---------|-----------------------|-------------------------------|
| 1. | Mr. Atul Mehra | Director |
| 2. | Mrs. Sonia Mehra | Wife of Director |

Financial Indebtedness from Kotak Mahindra Bank Limited

FACILITY 1: SALES INVOICE FINANCE

Date of Sanction/Modification: April 19, 2016

| Particulars | |
|----------------------------------|----------------------------------|
| Facility Name | Sales Invoice Finance |
| Extent of Credit | ₹800.00 Lakhs (Sanctioned Limit) |
| Utilized as on September 30,2017 | ₹ 54,85,725/- |
| Utilized as on November 30, 2017 | ₹ 1,99,79,662/- |

| | |
|------------------|---|
| Purpose | To meet Working Capital requirement. |
| Margin | 10% of Invoice Value. |
| Rate of Interest | Applicable MCLR + Spread as agreed between Borrower and the Bank from time to time. |

Following are the personal guarantor for the above Facility:

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---------|-----------------------|-------------------------------|
| 1. | Mr. Atul Mehra | Director |

FACILITY 2: BUSINESS LOAN – (Term Loan)

| Particulars | |
|-------------------------------------|-----------------------------------|
| Facility Name | Business loan |
| Extent of Credit | ₹ 75.00 Lakhs |
| Outstanding as on September 30,2017 | ₹ 75,00,000/- |
| Outstanding as on November 30,2017 | ₹ 69,45,241/- |
| Purpose | For meeting business requirements |

Maturity Profile of Loan from 30.09.2017 is set out below:

| Equated Monthly Installment | Rate of Interest | Tenure (In Months) | Period of Maturity from Balance Sheet Date |
|-----------------------------|------------------|--------------------|--|
| 367224.00 | 16.00% | 24 | 2 Years |

Following are the personal guarantors for the above Facility:

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---------|-----------------------|-------------------------------|
| 1. | Mr. Atul Mehra | Director |
| 2. | Mrs. Sonia Mehra | Wife of Director |

DETAILS OF OTHER LOANS (CAR LOANS)

| Sr. No. | Name | Sanctioned Amount (In ₹) | Outstanding Amount (In ₹)(As on 30.09.2017) | Outstanding Amount (In ₹)(As on 30.11.2017) | Rate of Interest | Tenure(In Months) | Security |
|---------|-------------------------------|--------------------------|---|---|------------------|-------------------|------------------------------|
| 1. | KOTAK MAHINDR A PRIME LIMITED | 9,00,000 | 8,76,198 | 8,32,229 | 12.00% | 36 Months | Against Hypothecation of Car |
| 2. | KOTAK MAHINDR A PRIME LIMITED | 17,50,000 | 17,03,717 | 16,18,222 | 12.00% | 36 Months | Against Hypothecation of Car |

| | | | | | | | |
|----|-------------------------------|--------------------|--------------------|--------------------|--------|-----------|------------------------------|
| 3. | KOTAK MAHINDR A PRIME LIMITED | 5,00,000 | 4,86,776 | 4,62,348 | 12.00% | 36 Months | Against Hypothecation of Car |
| 4. | KOTAK MAHINDR A PRIME LIMITED | 38,79,000 | 19,57,477 | 17,36,031 | 9.32% | 36 Months | Against Hypothecation of Car |
| 5. | KOTAK MAHINDR A PRIME LIMITED | 19,90,000 | 17,39,332 | 16,35,860 | 9.09% | 36 Months | Against Hypothecation of Car |
| 6. | KOTAK MAHINDR A PRIME LIMITED | 50,00,000 | 48,67,763 | 46,23,490 | 12.00% | 36 Months | Against Hypothecation of Car |
| | Total | 1,40,19,000 | 1,16,31,263 | 1,09,08,180 | | | |

Financial Indebtedness from HDFC Bank Limited

FACILITY 1: CASH CREDIT (CC)

Date of Sanction/Modification: February 09, 2016

| Particulars | |
|--------------------------------------|---|
| Facility Name | Cash Credit Limit |
| Extent of Credit | ₹ 550.00 Lakhs(Sanctioned Limit) |
| Outstanding as on September 30, 2017 | ₹ 1,64,55,119/- |
| Outstanding as on November 30, 2017 | ₹ 1,70,376/- |
| Purpose | To meet Working Capital requirements. |
| Rate of Interest | 1.30% p.a. above base rate i.e. 9.35% p.a. with monthly rest. |

Following are the personal guarantors for the above Facilities:

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---------|-----------------------|-------------------------------|
| 1. | Mr. Prem Nandan Mehra | Director |
| 2 | Mr. Atul Mehra | Director |
| 3 | Mrs. Sonia Mehra | Wife of Director |
| 4 | Mr. Arpit Mehra | Son of Director |

FACILITY 2: BUSINESS LOAN – (Term Loan)

| Particulars | |
|-------------------------------------|-----------------------------------|
| Facility Name | Business loan |
| Extent of Credit | ₹ 75.00 Lakhs |
| Outstanding as on September 30,2017 | ₹ 3,72,473/- |
| Outstanding as on November 30, 2017 | ₹ 1,19,107 /- |
| Purpose | For meeting business requirements |

Maturity Profile of Loan from 30.09.2017 is set out below:

| Equated Monthly Installment | Rate of Interest | Tenure (In Months) | Period of Maturity from Balance Sheet Date |
|-----------------------------|------------------|--------------------|--|
| 128419.00 | 11.00% - 13.50% | 85 | 3 months |

FACILITY 3: BUSINESS LOAN – (Term Loan)

| Particulars | |
|-------------------------------------|------------------------------------|
| Facility Name | Business loan |
| Extent of Credit | ₹ 50.00 Lakhs |
| Outstanding as on September 30,2017 | ₹ 35,74,733/- |
| Outstanding as on November 30, 2017 | ₹ 33,15,840/- |
| Purpose | For meeting business requirements. |

Maturity Profile of Loan from 30.09.2017 is set out below:

| Equated Monthly Installment | Rate of Interest | Tenure (In Months) | Period from Maturity from Balance Sheet Date |
|-----------------------------|------------------|--------------------|--|
| 173327.00 | 15.00% | 36 | 2 years |

Financial Indebtedness from Bajaj Finserv Limited

FACILITY: BUSINESS LOAN – (Term Loan)

| Particulars | |
|-------------------------------------|------------------------------------|
| Facility Name | Business loan |
| Extent of Credit | ₹ 40.00 Lakhs |
| Outstanding as on September 30,2017 | ₹ 40,00,000/- |
| Outstanding as on November 30 ,2017 | ₹ 37,02,582/- |
| Purpose | For meeting business requirements. |

Maturity Profile of Loan from 30.09.2017 is set out below:

| Equated Monthly Installment | Rate of Interest | Tenure (In Months) | Period from Maturity from Balance Sheet Date |
|-----------------------------|------------------|--------------------|--|
| 195853.00 | 16.00% | 24 | 2 years |

Financial Indebtedness from Tata Capital Financial Services Limited

FACILITY: BUSINESS LOAN – (Term Loan)

| Particulars | |
|-------------------------------------|------------------------------------|
| Facility Name | Business loan |
| Extent of Credit | ₹ 50.00 Lakhs |
| Outstanding as on September 30,2017 | ₹50,00,000/- |
| Outstanding as on November 30, 2017 | ₹46,23,599/- |
| Purpose | For meeting business requirements. |

Maturity Profile of Loan from 30.09.2017 is set out below:

| Equated Monthly Installment | Rate of Interest | Tenure (In Months) | Period from Maturity from Balance Sheet Date |
|------------------------------------|-------------------------|---------------------------|---|
| 244816.00 | 16.00% | 24 | 2 years |

SECTION VI - LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Directors, our Promoters and Group Entities that would have a material adverse effect on our business. Further, except as stated below there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company, default in creation of full security as per terms of issue/other liabilities. No proceedings have been initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Promoters, our Directors and Group Entities.

Our Board of Directors, in its meeting held on September 18, 2017 determined that any pending litigation where the amounts exceeds ₹100 lakhs or 1% of profit after tax of the Company, whichever is higher as per the last audited financial statements; (b) where 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 100 Lakhs or 1% of profit after tax of the Company, whichever is higher as per the last audited financial statements, if similar litigations put together collectively exceed 100 Lakhs or 1% of the profit after tax, whichever is higher; (c) litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committee

*Further, dues owed by our Company to small scale undertakings and other creditors, which exceeds 100 Lakhs or 1% of the profit after tax, whichever is higher as at September 30, 2017 ("**Material Creditors**") have been considered as material dues for the purposes of disclosure in this Prospectus.*

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

Further, except as stated below, in the last five years preceding the date of this Prospectus there have been (a) no instances of material frauds committed against our Company (b) no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the case of our Company and no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for our Company (c) no litigation or legal action pending or taken by any ministry or department of the government or any statutory body against our Promoters.

Further, except as described below, there are no proceedings initiated or penalties imposed by any authorities against our Company, and Directors and no adverse findings in respect of our Company, our Promoters, our Group Entities and the persons/entities connected therewith, as regards compliance with securities laws. Further, except as described below, there are no instances where our Company, or Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic or civil offences or any disciplinary action by SEBI or any stock exchange, or tax liabilities.

Further, except as disclosed below there are no (i) litigation against our Directors or our Promoters involving violation of statutory regulations or alleging criminal offence; (ii) past cases in which penalties were imposed by the relevant authorities on our Company, our Promoters, our Group Entities and the Directors; and (iii) outstanding litigation or defaults relating to matters likely to affect the operations and finances of our Company including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013. Unless stated to the contrary, the information provided below is as on the date of this Prospectus.

A. LITIGATION INVOLVING OUR COMPANY

I) Litigation against our Company:

a) ***Litigation Involving Criminal Laws:***

Out of the various properties of the Company, one of the immovable property of the Company situated at plot no. 101 –A, Dada Nagar, Kanpur ("Land") is attached by the Directorate of Enforcement, Department of Revenue, Ministry of Finance under the provisions of Prevention of Money Laundering Act, 2002. The said attachment was made under the provisional attachment order no. 01/2012 dated March 31, 2012 in the criminal matter bearing number ECIR/01/PMLA/L20/2009/AD(NKW)/EO(SK). The said Land was transferred by the Company through Mr. Atul Mehra to one Mr. Hinish Ramchandani and M/s SRS Investment Company ("SRS") against whom the criminal proceeding are ongoing for duping State Bank of India, Kanpur of ₹46.42 Crores during the period from June 2008 to July, 2009 in connivance with certain officers of State Bank of India, by misusing the credit facilities. Since, Company had received consideration for the transfer of the said Land, the Company and Mr. Atul Mehra has been made of the party to the matter, although the Company and Mr. Atul Mehra contended that the amount received was under bonafide belief that the amount is in no way tainted money.

If in the said matter, Mr. Hinish Ramchandani and SRS is prosecuted and found guilty, the Company may lose the said Land, although no conveyance deed for the transfer of land or any other agreement was entered by the Company at the time of transferring the said Land. Further, certain actions may be initiated against the Mr. Atul Mehra. However, the management feels that there is no case against them and there can be no further action against them.

b) ***Litigation Involving Actions by Statutory/Regulatory Authorities: NIL***

c) ***Litigation Involving Tax Liabilities:***

i) ***Direct Tax Liabilities:***

1. **Assessment Year 2003-04:** The Income Tax Department had passed an order dated December 6, 2006 as per the provisions of Section 143(3) of the Income Tax Act, 1961. The Income Tax Department in its order, had made additions and disallowances of ₹1,85,000. The Company has appealed against this order.
2. **Assessment Year 2006-07:** The Income Tax Department had passed an order dated December 26, 2008 as per the provisions of Section 143(3) of the Income Tax Act, 1961. The Income Tax Department has made additions and disallowances of **₹13,500**. The Assessing Officer had also imposed a penalty on the same. The Company has appealed against this order.
3. **Assessment Year 2011-12:** The contention of the Company is that the Income Tax Department vide its Assessment Order passed under Section 143(1) of the Income Tax Act, 1961 has calculated the tax liability incorrectly and has not given the credit of the Tax Deducted at Source. The Company has responded to the Assessment Order by filing an application under the provisions of Section 154 of the Income Tax Act, 1961 for the rectification. The amount involved is **₹45,530**.
4. **Assessment Year 2015-16:** The contention of the Company is that the Income Tax Department vide its Assessment Order dated January 1, 2017 passed under Section 143(1) of the Income Tax Act, 1961 has calculated the tax liability incorrectly. The Company has responded to the Assessment Order by filing an application under the provisions of Section 154 of the Income Tax Act, 1961 for the rectification. The amount involved is **₹353,590**.
5. **Assessment Year 2016-17:** The contention of the Company is that the Income Tax Department vide its Assessment Order dated January 11, 2017 passed under Section 143(1) of the Income Tax Act, 1961 has calculated the tax liability incorrectly. The Company has responded to the Assessment Order by filing an application under the provisions of Section 154 of the Income Tax Act, 1961 for the rectification. The amount involved is **₹19,810**.

ii) **Indirect Tax Liabilities:**

1. **Assessment Year 2011-12:** The Company was imposed with a demand of ₹5,19,268 for non-submission of the F form on time for its Mumbai branch (presently closed). The Company has deposited the demand of ₹5,19,268 along with the interest on the above demand of ₹2,85,600. The Company had later deposited the relevant F form to the Commercial Tax Department as and when the same were issued by the Mumbai Sales Tax Department and has appealed for the same. If the appeal is allowed, the Company believes that it may get a refund of the said amount.

d) **Other Material Pending Litigations: NIL**

II) **Litigation by our Company: NIL**

a) **Litigation Involving Criminal Laws: NIL**

b) **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

c) **Litigation Involving Tax Liabilities: NIL**

i) **Direct Tax Liabilities**

ii) **Indirect Tax Liabilities**

d) **Other Material Pending Litigations:**

1. Our Company has filed a suit bearing P.L.A. Case No. 49 of 2014 in Permanent Lok Adalat, Kanpur, Uttar Pradesh against SBI General Insurance Company Limited. Our Company had obtained an insurance policy from SBI General Insurance Company Limited for its Toyota Fortuner bearing registration number UP-78-CL-0001 under policy number 000000000414113. The insured declared value of the aforesaid vehicle declared by the SBI General Insurance Company Limited was ₹17,29,000. The aforesaid vehicle met an accident in year 2012-2013 and incurred serious damages and therefore became un-roadworthy. The Company claimed the insured declared value of the vehicle. However, the claim has been repudiated by the SBI General Insurance Company Limited and thus this suit. The matter is under trial and the next date of hearing is November 9, 2017.

B. LITIGATION INVOLVING OUR DIRECTORS

I) **Litigation against our Directors: NIL**

a) **Litigation Involving Criminal Laws: NIL**

b) **Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

c) **Litigation Involving Tax Liabilities: NIL**

i) **Direct Tax Liabilities**

ii) **Indirect Tax Liabilities**

d) **Other Material Pending Litigations:**

II) **Litigation by our Directors: NIL**

- a) *Litigation Involving Criminal Laws: NIL*
- b) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*
- c) *Litigation Involving Tax Liabilities: NIL*
 - i) *Direct Tax Liabilities*
 - ii) *Indirect Tax Liabilities*
- d) *Other Material Pending Litigations: NIL*

C. LITIGATION INVOLVING OUR PROMOTERS:

I) Litigation against our Promoters:

- a) *Litigation Involving Criminal Laws:* Except as disclosed above, there is no criminal proceedings pending against our promoters or any proceeding in which our promoter is a party.
- a) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*
- b) *Litigation Involving Tax Liabilities*
 - i) *Direct Tax Liabilities*
 1. **Assessment Year 2008-09:** There is an outstanding tax demand of **₹315,000** for Mr. Atul Mehra. The contention of Mr. Atul Mehra is that the Income-Tax Department has not given the credit of the self-assessment tax paid by him, which has led to the raising of the above mentioned demand. An application for rectification under Section 154 of the Income-Tax Act, 1961 has been filed with the Assistant Commissioner, the outcome of which is still pending.
 - ii) *Indirect Tax Liabilities: NIL*
- c) *Other Material Pending Litigations: NIL*

II) Litigation by our Directors: NIL

- a) *Litigation Involving Criminal Laws: NIL*
- b) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*
- c) *Litigation Involving Tax Liabilities: NIL*
 - i) *Direct Tax Liabilities*
 - ii) *Indirect Tax Liabilities*
- d) *Other Material Pending Litigations: NIL*

D. LITIGATION INVOLVING OUR GROUP ENTITIES

I) Litigation against our Group Entities:

a) *Litigation Involving Criminal Laws:*

1. The Chief Food Inspector, Udham Singh Nagar, Uttarakhand has filed criminal complaint in the court of Chief Judicial Magistrate against CIMA Dairy & Foods Limited ("**CIMA**"), its directors and the nominee of CIMA under Prevention of Food Adulteration Act, 1954 on account of lack of nutritional information on a packet of CIMA Gulab Jamun Mix being manufactured by CIMA. Thereafter, the accused directors of CIMA filed foreclosure of surveillance closure appeal bearing number 371 of 2014 in Sessions Court, Udham Singh Nagar, Uttarakhand. The Sessions Court acquitted the directors from the charge imposed by the Chief Food Inspector on account of non-liability of such directors under the provisions of Prevention of Foods Adulteration Act, 1954. As such, the proceedings are now only against CIMA and the PFA nominee of the CIMA under Prevention of Food Adulteration Act, 1954. However, CIMA and the said nominee have not received any summons from the relevant court regarding the same.

b) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*

c) *Litigation Involving Tax Liabilities:*

i) *Direct Tax Liabilities*

1. **Assessment Year 2009-10:** The Income Tax Department has raised a demand under the provisions of Section 115 WE of the Income Tax Act, 1961 against CIMA Foods Private Limited ("**CIMA Foods**"). An amount of **₹10,432** is still outstanding to be paid by the Company. The contention of CIMA is that the Income Tax Department has erroneously not provided the credit and are making an arrangement to follow up with the department to get the mistake rectified.
2. **Assessment Year 2007-08:** The Income Tax Department has raised a demand under the provisions of Section 143(1) of the Income Tax Act, 1961 against Cima Dairy & Foods Limited ("**CIMA**"). The contention of CIMA is that the Income Tax Department has erroneously not reflected a tax payment of ₹3,58,987 and are making an arrangement to file an appeal for a refund. However, till the appeal is filed, the amount of **₹401,392** is outstanding to be paid.
3. **Assessment Year 2009-10:** The Income Tax Department has raised a demand under the provisions of Section 143(1a) of the Income Tax Act, 1961 against Cima Dairy & Foods Limited ("**CIMA**"). The contention of CIMA is that the Income Tax Department has erroneously reflected a tax payment of only ₹1,00,000 instead of ₹3,00,000 and there is also a dispute in the interest amount charged and are making an arrangement to file an appeal for a refund. However, till the appeal is filed, the amount of **₹26,180** is still outstanding to be paid.

ii) *Indirect Tax Liabilities:*

1. **Assessment Year 2012-13:** The Sales Tax Department had issued an ex-parte assessment order and held Cima Dairy & Foods Limited ("**CIMA**") liable to pay **₹27,000** and **₹6,08,764** as outstanding VAT amount for the state sales (under Uttarakhand VAT Act, 2005) and the central sales (under Central Sales Tax Act, 1956) respectively. The ex-parte order was on the assumption that CIMA had sales pertaining to the values that would make it liable to pay the above mentioned VAT amount. CIMA has not yet deposited the demand amount and are making arrangements to appeal against the ex-parte assessment order.

d) *Other Material Pending Litigations: NIL*

II) Litigation by our Group Entities: NIL

- a) *Litigation Involving Criminal Laws: NIL*
- b) *Litigation Involving Actions by Statutory/Regulatory Authorities: NIL*
- c) *Litigation Involving Tax Liabilities: NIL*
 - i) *Direct Tax Liabilities: NIL*
 - ii) *Indirect Tax Liabilities: NIL*
- d) *Other Material Pending Litigations: NIL*

E. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY

As on September 30, 2017, our Company does not owe a sum exceeding ₹100 Lakh or 1 % of PAT, whichever is higher to any undertaking except the following:

| Sr. No. | Particulars | Remarks |
|----------------|--------------------------------------|--------------------|
| 1. | <i>Mausami Dairy*</i> | <i>1,13,48,657</i> |
| 2. | <i>Sri Ram Traders*</i> | <i>1,18,43,713</i> |
| 3. | <i>Indocoat Shoe Components Ltd.</i> | <i>1,71,00,000</i> |
| Total | | 4,02,92,370 |

*The name of the creditors represent the group of creditors of a particular area.

The details pertaining to net outstanding dues towards our Material Creditors shall be made available under investors' section on the website of our Company i.e. www.tastydairy.com. It is clarified that such details available on our website do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.tastydairy.com, would be doing so at their own risk.

F. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE

Except as disclosed in the chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 162 of this Prospectus, in the opinion of our Board, there have not arisen, since September 30, 2017, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details see “Regulations and Policies” on page 95. Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

I. Approvals in relation to the Issue

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on November 10, 2017 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the EGM held on December 09, 2017, authorized the Issue.
3. In-principle approval dated January 17, 2018 from the BSE SME Platform for listing of the Equity Shares issued by our Company pursuant to the Offer.

II. Approvals for our Company

Incorporation details

1. Certificate of incorporation dated July 30, 1992 issued by the RoC, Kanpur, Uttar Pradesh to Tasty Dairy Specialities Private Limited.
2. Fresh certificate of incorporation consequent upon change of name on conversion to Public Company dated November 25, 2004 issued by the RoC, Kanpur, Uttar Pradesh.
3. The Corporate Identity Number (CIN) of the Company is U15202UP1992PLC014593.

Tax related approvals

1. The permanent account number of our Company is AAAC6936H issued by Income Tax Department under the Income Tax Act, 1961.
2. The tax deduction account number of our Company is KNPT01064A issued by Income Tax Department under the Income Tax Act, 1961.
3. The GST registration number of our Company is 09AAAC6936H1Z2 issued by Government of India under the Goods and Service Tax Act, 2017.

Establishment, business and employment related approvals

1. Our Company has obtained the Udhog Aadhar Registration bearing number UP42C0003128 issued by the Micro, Small and Medium Enterprises, Government of India, dated December 13, 2017 inter-alia, in respect of manufacture of pasteurized milk in bottles/polythene packs, milk powder, ice-cream powder and condensed milk except baby milk food, cream, butter, cheese, curd, ghee, khoya, ice-cream, kulfi, readymade mix powder like idli, gulab jamun, sweetmeats including dairy based sweetmeats and other dairy products
2. License under Food Safety and Standards Act, 2006 bearing number 10012051000490 dated November 5, 2013 issued by the Designated Officer, Food Safety and Standards Authority of India to our Company. The license is valid till March 31, 2018.

3. License to run a factory bearing number KDH-004 dated December 22, 2009 issued to our Company under the Factories Act. The license is valid till December 31, 2017 and to be extended upon renewal.
4. Acknowledgment dated May 3, 2013 issued by the Secretariat for Industrial Assistance, Ministry of Commerce and Industry issued to our Company for manufacturing of milk, butter, ghee, milk powder, cream, paneer, khoya, curd and miscellaneous edible products in prescribed capacity issued by Deputy Commissioner of Industries, District Industries Centre, Kanpur.
5. Consent to operate under the Water (Prevention & Control of Pollution) Act, 1981 issued by the Uttar Pradesh Pollution Control Board. The consent is valid till December 31, 2018
6. Consent to operate under the Air (Prevention & Control of Pollution) Act, 1981 issued by the Uttar Pradesh Pollution Control Board. The consent is valid till December 31, 2018.
7. Certificate of Importer Exporter Code bearing IEC 0605006881 dated December 13, 2004 issued to our Company by Foreign Trade Development Officer, Government of India. The approval is valid until cancelled.
8. Renewal of approval for processing and packing of milk products for export dated March 8, 2017 issued by the Joint Director, Export Inspection Council of India, under the Export of Milk Products Quality Inspection and Monitoring Rules, 2000 for processing and packing of milk products for export to all countries other than the European Union. The approval is valid until March 4, 2019.
9. Registration cum membership certificate bearing number 153498 dated June 9, 2016 issued to our Company by Agricultural and Processed Food Products Export Development Authority (“**APEDA**”) under the APEDA Act, 1985. The purpose of the Certificate is registration as a manufacturer with the APEDA. This registration is valid till March 31, 2018.
10. Certificate of registration bearing registration number IRQS/1760612 dated July 3, 2017, issued by IRCLASS Systems and Solutions Private Limited stating that the food safety management system of our Company complies with the requirements of ISO 22000:2005 and covers the receipt of raw milk, processing, packaging, storage & dispatch of pasteurized milk & milk products. This certificate is valid until July 2, 2020.
11. Certificate of registration bearing number UP/KNP/PCR/DCWM/000398 issued to our Company by the Controller, Legal Metrology, Lucknow.
12. License number CM/L-9711886 dated March 14, 2016 issued by the Bureau of Indian Standards, Lucknow under the Bureau of Indian Standards Act, 1986 certifying skim milk powder-part 1: standard grade as IS 13334: Part I :2014. The license has been renewed and is valid until February 19, 2018.
13. Certificate of authorisation for grading and marking (AGMARK) of ‘Ghee’ dated May 23, 2017, issued by the Senior Marketing Officer, Agriculture and farmer Development Ministry under the Agricultural Produce (Grading and Marking) Act, 1937. The said certificate is valid until March 31, 2021.
14. Certificate of registration bearing number EPF/RO/E-I/U.P./29443 dated August 4, 2004 issued to our Company by Assistant Provident Fund Commissioner under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
15. Certificate of registration bearing number 21000283050000011 issued to our Company under the Employees State Insurance Act, 1948.
16. Letter of approval dated July 19, 2010, issued by District Magistrate, Kanpur for installation of tank having capacity to store 20 KL Class B petroleum to our Company under the Petroleum Rules 2002.

17. Letter of approval for registry no. UP 6605 dated October 27, 2017 to work a boiler at the maximum working pressure of 17.5 kg/cm² issued by the Deputy Director of Boiler, Uttar Pradesh. This license is valid till October 6, 2018.
18. Permission letter dated September 22, 2008 issued to our Company by Deputy Director, Electricity Safety, Government of Uttar Pradesh for installation of a transformer of capacity 630 KVA.
19. Permission letter dated August 29, 2008 issued to our Company by Deputy Director, Electricity Safety, Government of Uttar Pradesh for installation of a two generators having capacity of 380 KVA each.
20. Consent approval issued by the Zila Panchayat, Kanpur Dehat to our Company on April 6, 2017 for establishment and operation of the manufacturing facility of the Company. The approval is valid till March 31, 2018.
21. A fire no-objection certificate bearing dated April 12, 2016 issued to our Company by the Joint Director, Fire Service Head office, Lucknow.
22. The provisional GST registration number obtained our Company for the warehouse situated in New Delhi is 07AAACT6936H1Z6, issued by Government of India under the Goods and Service Tax Act, 2017.
23. Establishment Registration Certificate bearing no. 2017092855 dated November 25, 2017 issued to our Company for the warehouse situated in New Delhi under Delhi Shops & Establishment Act, 1954.


Intellectual Property

Trademarks

Our intellectual property includes trademarks associated with our business. We use various trademarks and word marks associated with our business including our logo appearing on the cover page of this Prospectus. Our Company does not hold registrations of trademarks in its name except for trademark with name CIMA. Our Company does not hold registrations of trademarks in its name, which it uses for its business. Moreover, our Company uses 2 (two) Trademarks i.e. UJJWAL and SIKHAR registered in the name of Mr. Atul Mehra, promoter of the Company and uses the trademark CIMA registered in the name of CIMA Foods Private Limited, through Royalty Agreements. For details of the Royalty Agreements, please see the chapter titled “Our Business” on page 78. Further, the trademark VERIFRESH used by our Company is objected for bearing direct reference to the character, quality of the products. We have also made application for registration of our logo appearing on the cover page of this Prospectus.

Approval Applied for

Few of the approvals that are required to be obtained by our Company for undertaking its business have elapsed in their normal course and our Company has made applications to the relevant Central or State government authorities for renewal of such approvals, licenses, registrations and permits. Below listed are the licenses/approval applied for renewal the Company.

1. Application bearing number 3681375 dated November 22, 2017 for registration of wordmark ‘Tasty Dairy Specialities Ltd’ and our logo  under class 29 of Trademark Act 1999 with Controller General of Patent design & Trade Mark.
2. Letter of Approval/Certificate for use of a 1(one) boilers bearing make number MTFH/60A/H2/51(UP-5799) under the Indian Boilers Act, 1923 for use which were valid until July 16, 2017. Application for renewal of the same has been submitted to the Labour Commissioner Organization, Uttar Pradesh.
3. Contract labour application bearing no CLA35000323 made by the Company under Contract Labour (Regulation and Abolition) Act, 1970.

4. Application bearing number 21-4/3486/UP/IND/2017 dated July 11, 2017 for NOC to abstract ground water from Central Ground Water Authority, Ministry of Water Resources.
5. Application bearing number 30171023182327060 dated October 23, 2017 for registration under food safety and standards Act, 2006 for storage (except controlled atmosphere and cold) of dairy products at our warehouse in Delhi

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors, pursuant to a resolution passed at their meeting held on November 10, 2017 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013, and such other authorities as may be necessary.

The Shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on December 09, 2017, authorized the Issue.

Our Company has obtained in-principle approval from BSE Ltd. for using its name in the Draft Prospectus/Prospectus pursuant to an approval letter dated January 17, 2018. BSE is the Designated Stock Exchange.

Prohibition by SEBI, RBI or governmental authorities

We confirm that there is no prohibition on our Company, our Promoters, our Promoters Group, our Directors, our Group Companies / Entities or the natural person(s) in control of our Company from accessing or operating in the Capital Markets or restrained from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Neither of our Promoters, Promoter Group, Directors or the person(s) in control of our Company, has ever been part of Promoter, Promoter Group, Directors or the person(s) in control of any other Company which is debarred from accessing the capital market under any order or directions made by the Board (SEBI) or any other regulatory or governmental authority.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the corporate Promoters are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Association with Securities Market

None of our Directors are in any manner associated with the securities market and there has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as Promoters or Directors.

Prohibition by RBI

Neither our Company, our Promoters, our Directors, Group Entities, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 175 of this Prospectus.

Eligibility for the 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 promoters 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 BSE Ltd. for obtaining their in-principle listing approval for listing of the Equity Shares under this Issue and has received the in-principle approval from BSE Ltd. pursuant to their letter dated January 17, 2018. For the purposes of this Issue, the BSE Ltd. shall be the Designated Stock Exchange;
- c) Our Company has entered into tripartite agreement dated December 01, 2017 with NSDL, for dematerialization of the Equity Shares;
- d) Our Company has entered into tripartite agreement dated November 17, 2017 with CDSL, for dematerialization of the Equity Shares; and
- e) The Equity Shares are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Prospectus.

Further, in compliance with Regulation 4 (5) of the SEBI Regulations, none of our Company, Promoters or Directors is a Willful Defaulter, as on the date of this 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.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (2) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital will be more than ₹10 Crores but less than ₹25 Crores, we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "SME Platform of BSE").

We confirm that:

- 1) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to chapter titled “*General Information-Underwriting*” beginning on page 39 of this Prospectus.
- 2) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to 50 (fifty), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within 8 (eight) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 8 (eight) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the SEBI (ICDR) Regulations, Companies Act 2013 and other applicable laws.
- 3) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- 4) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of 3 (three) years from the date of listing of Equity Shares on the SME Platform of BSE. For further details of the arrangement of market making, see chapter titled “*General Information – Details of the Market Making Arrangements for this Issue*” beginning on page 39 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 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.

1. The Company has Net Tangible assets of at least ₹3 crore as per the latest audited financial results.
2. The Net worth (excluding revaluation reserves) of the Company is at least ₹3 crore as per the latest audited financial results.
3. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of ₹5 crore.
4. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated standalone financial statements is as set forth below:-

(₹ In lakhs)

| Particulars | For the period ended September 30, 2017 | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---------------------------|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Net Tangible Assets** | 4,364.71 | 4,054.24 | 3,950.35 | 3,300.30 | 2,605.36 | 2,479.04 |
| Net Distributable Profits | 243.73 | 451.73 | 461.72 | 447.78 | 542.76 | 451.62 |
| Net Worth*** | 3,675.77 | 3,432.04 | 2,980.31 | 2,518.58 | 2,072.64 | 1,529.88 |

* "Distributable profits" have been computed in terms section 123 of the Companies Act, 2013.

** 'Net tangible assets' are defined as the sum of all net assets (i.e. non-current assets, current assets less current liabilities) of our Company, excluding deferred tax asset and intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

*** "Net Worth" has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding revaluation reserve and after deducting miscellaneous expenditure, if any.

Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated November 17, 2017 and National Securities Depository Limited dated December 01, 2017 for establishing connectivity.

Our Company has a website which can be accessed at the following link: <http://www.tastydairy.com/>

There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the SME Platform of BSE (BSE SME):-

- 1.) Our Company was incorporated as tasty Dairy Specialities Limited under the provisions of the Companies Act, 1956 with Certificate of Incorporation bearing Registration Number 014593 dated July 30, 1992 issued by the Registrar of Companies, Kanpur. The Corporate Identification Number of our Company is U15202UP1992PLC014593
- 2.) The post issue paid up capital of the company will be ₹2,04,30,000 Equity Shares of face value of ₹10 each aggregating to ₹2043 Lacs which is less than ₹25 Crores.
- 3.) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 4.) There is no winding up petition against our Company that has been admitted by the Court and no liquidator has been appointed against the Company.
- 5.) No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
- 6.) Our Company confirms that there is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters, Group Companies, companies promoted by the promoters of the company.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE (BSE SME).

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 the SEBI (ICDR) Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI (ICDR) Regulations, with respect to the Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MERCHANT BANKER, MARK CORPORATE ADVISORS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED January 22, 2018 WHICH READS AS FOLLOWS:

WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS**

OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.**
- 10. WE CERTIFY ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996 AND THE REGULATIONS MADE THEREUNDER.**

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS.

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT 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 ISSUED 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 PROVISIO TO SUBREGULATION (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 DRAFT 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 - NOTED FOR COMPLIANCE.

Note:

The filing of this 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 Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kanpur, Uttar Pradesh in terms of sections 26, 32 and 33 of the Companies Act, 2013.

Statement on Price Information of Past Issues handled by Mark Corporate Advisors Private Limited:

| Sr. No. | Issuer Name | Issue size (In cr.) | Issue price (₹) | 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.) | Madhya Pradesh Media Today Limited | 1416.69 | 66.00 | September 29, 2017 | 70.00 | 36.89% | 100.45% | - |
| | | | | | | 5.46% | 7.58% | - |

Source: Price Information www.nseindia.com/emerge, Issue Information from respective Prospectus.

Note:

- Based on date of listing.
- NIFTY has been considered as the benchmark index.
- Prices on NSE are considered for all of the above calculations.
- In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30th /90th /180th day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by the Mark Corporate Advisors Private Limited

| Financial Year | Total no. of IPOs | Total Funds raised (₹ 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 | 1416.69 | Nil | Nil | Nil | 1 | Nil | Nil | N.A | N.A | N.A | N.A | N.A | N.A |

Disclaimer from our Company, Director and the Mark Corporate Advisors Private Limited

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU entered between the Lead Manager (Mark Corporate Advisors Private Limited) and our Company on December 26, 2017 and the Underwriting Agreement dated December 28, 2017 entered into between the Underwriters and our Company and the Market Making Agreement dated December 28, 2017 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive 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 Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2500.00(Twenty Five Hundred)Lakhs and pension funds with a minimum corpus of ₹2,500.00 (Twenty Five Hundred) Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development

financial institutions, FVCIs and eligible foreign investors, 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 our Company. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Kanpur, Uttar Pradesh, 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. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

Disclaimer Clause of the SME Platform of BSE

As required, a copy of this Issue Document has been submitted to BSE Ltd. (hereinafter referred to as BSE). BSE has given vide its letter DCS\SME-IPO\KS\IP\941\2017-18 dated January 17, 2018 permission to the Issuer to use the Exchange's name in this Issue Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by BSE should not in any way be deemed or construed that the offer document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause 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 where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

The Prospectus is being filed with BSE Limited, 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai-400 001.

This Prospectus shall not be filed with the SEBI nor will SEBI issue any observation on the Prospectus in term of Regulation 106(M) (3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the SEBI Northern Regional Office, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi - 110 001 for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Kanpur, Uttar Pradesh.

Listing

The Equity Shares of our Company are proposed to be listed on BSE SME Platform. Our Company has obtained in principle approval from BSE Ltd. by way of its letter dated January 17, 2018 for listing of equity shares on BSE SME.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 (Six) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within 6 (Six) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period, subject to applicable law.

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 to action under section 447 of the Companies, Act 2013. 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 ten 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 (a) our Directors, our Promoters, our Company Secretary & Compliance Officer, Chief Financial Officer, our Statutory Auditor, our Peer Review Auditor (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue*, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, Atul Garg & Associates, Chartered Accountants, Mittal & Associates, Peer Review Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on Statement of Possible Tax Benefits relating to the possible tax benefits and restated financial statements as included in this Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

Experts Opinion

Except for the reports in the section titled “*Financial information of the Company*” and “*Statement of Tax Benefits*” beginning on page 132 and page 67 of this Prospectus from the Peer Review Auditors and Statutory Auditor respectively, our Company has not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹143.50 Lakhs, which is 5.87% of the Issue size. The estimated Issue related expenses include Issue Management Fee, underwriting and management fees SCSB’s commission/ Selling commission, fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. All expenses with respect to the Issue would be paid by our company.

The estimated Issue expenses are as under:

| Sr. No. | Particulars | Amount (In Lakhs) | Percentage Of Total Estimated Issue Expenditure | %of Issue Size |
|---------|--|-------------------|---|----------------|
| 1.) | Payment to Merchant Banker including, underwriting and selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Bankers etc and other out of pocket expenses | 78.50 | 54.70% | 3.21% |
| 2.) | Printing and Stationery and postage expenses, Advertising and Marketing expenses | 60.00 | 41.81% | 2.45% |
| 3.) | Regulatory fees and expenses | 5.00 | 3.49% | 0.20% |
| | Total estimated Issue Expenses | 143.50 | 100% | 5.86% |

*Included Commission for SCSB, Brokerage and selling commission for Registered Brokers, RTA’s and CDPs

Fees, Brokerage and Selling Commission payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated December 26, 2017 with the Lead Manager Mark Corporate Advisors Private Limited, (ii) the Underwriting Agreement dated December 28, 2017 with Underwriter and (iii) the Market Making Agreement dated December 28, 2017 with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CAN, tape and printing of bulk mailing register will be as per the MOU between our Company and the Registrar to the Issue dated December 29, 2017 a copy of which is available for inspection at our Company's 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 to the Registrar to the Issue to enable it to send allotment advice by registered post/speed post.

Particulars regarding Public or Rights Issues during the last five (5) years

Except as disclosed in chapter titled "*Capital Structure*" beginning on page 46 in this Prospectus, our Company has not made any previous public or rights issue in India or Abroad the 5 (five) years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

For a detailed description, see chapter titled "*Capital Structure*" beginning on page 46 of this Prospectus.

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.

Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company

Except as stated in the chapter titled "*Capital Structure*" beginning on page 46 of this Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

Performance vis-a-vis objects - Last Issue of Group/Associate Companies

All of our Group / Associate are unlisted and have not made a public issue of shares.

Outstanding Debentures or Bond Issues or Redeemable Preference Shares

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Prospectus.

Outstanding Convertible Instruments

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus.

Option to Subscribe

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

Stock Market Data of the Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least 3 (three) years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, with a copy to the Compliance Officer and with a copy to the relevant Designated Intermediary with whom the Application Form was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

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(fifteen) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Nishi as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

Tasty Dairy Specialities Limited

D-3, UPSIDC Industrial Area Jainpur,
Kanpur Dehat-209 311

Uttar Pradesh

Tel. No.:+91 512 7107777

E-Mail ID:info@tastydairy.com

Website: www.tastydairy.com

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated September 18, 2017. The constitution of the Stakeholders' Relationship committee is as follows:

| S. N. | Name of the Director | Status | Nature of Directorship |
|--------------|-----------------------------|---------------|-------------------------------------|
| 1. | Mr. Narendra Shankar Sathe | Chairman | Non-Executive &Independent Director |
| 2. | Mr. Neeraj Kanodia | Member | Non-Executive &Independent Director |
| 3. | Mrs. Vimi Sinha | Member | Non-Executive &Independent Director |
| 4. | Mr. Atul Mehra | Member | Whole Time Director |
| 5. | Mr. Mahendra Kumar Singh | Member | Non-Executive Director |

For further details, see chapter titled “*Our Management*” beginning on page 108 of this Prospectus.

Investors 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 allocation, credit of allotted Equity Shares in the respective beneficiary account 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

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company

We do not have any listed company under the same management.

Change in Auditors during the last three (3) years

There has been no change in Auditors of our Company during the last three financial years.

Capitalization of Reserves or Profits

Except as disclosed under section titled “*Capital Structure*” beginning on page 46 of this Prospectus, our Company has not capitalized its reserves or profits at any time during the last 5 (five) years.

Revaluation of Assets

Our Company has not revalued its assets in 5 (five) years preceding the date of this Prospectus.

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 Exchanges. For details, please refer the chapter titled “*Statement of Tax Benefits*” beginning on page no. 67 of this Prospectus.

Purchase of Property

Other than as disclosed in chapter titled “*Our Business*” on page no. 78 of the 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 the Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the 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 Behavior

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principle 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 in chapter titled “*Our Management*” beginning on page 108 and “*Related Party Transactions*” beginning on page 158 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2009, SCRA, SCRR, Memorandum and Articles, the terms of this Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ("CAN") and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, BSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles. For further details, please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' beginning on page number 247 of this Prospectus.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on November 10, 2017 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 December 10, 2017

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' and "Main Provisions of the Articles of Association" beginning on pages 131 and 247 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a face value of ₹10 each are being offered in terms of this Prospectus at the price of ₹45 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled 'Basis for Issue Price' beginning on page 65 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

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, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see 'Main Provisions of Articles of Association' beginning on page 247 of this Prospectus.

Minimum Application Value, Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai, India.

The Equity Share 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 off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "*Capital Structure*" on page no. 46 of this Prospectus, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "*Main Provisions of Articles of Association*" on page 247 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus

after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹1,00,000 (Rupees One Lac only) per application.

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

Migration to Main Board

Our company may migrate to the main board of BSE at a later date subject to the following:

- a) If the Paid up Capital of our 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the paid-up Capital of our company is more than ₹10 Crores but below ₹25Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue is proposed to be listed on the BSE SME Platform wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the BSE for a minimum period of three years from the date of listing of shares offered through this Prospectus. For further details of the Market Making arrangement see chapter titled “*General Information-Details of the Market Making Arrangements for this Issue*” beginning on page 39 of this Prospectus.

In accordance with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has decided to make applicable limits on the upper side for the Market Maker during market making process taking into consideration the Issue size in the following manner:

| Issue size | Buy quote exemption threshold (including mandatory initial inventory of 5% of issue size) | Re-entry threshold for buy quotes (including mandatory initial inventory of 5% of issue size) |
|--------------------------------|---|---|
| Up to ₹20 Crores | 25% | 24% |
| ₹20 Crores to ₹50 Crores | 20% | 19% |
| Above ₹50 Crores to ₹80 Crores | 15% | 14% |
| Above ₹80 Crores | 12% | 11% |

Further, the following shall apply to market maker while managing their inventory during the process of market making:

- (i) 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.
- (ii) Apart from the above mandatory inventory, only those shares which have been acquired on the platform of the exchange during market making process shall be counted towards the Market Maker's threshold. Threshold limit will take into consideration, the inventory level across market maker.
- (iii) 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.
- (iv) In view of the Market Maker obligation, there shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process on the platform of the exchange, the concerned stock exchange may intimate the same to SEBI after due verification.
- (v) Provided, where there is any SEBI debarment order against the company/its promoters/directors, while the SEBI debarment is in force against the company/its promoters/directors, it shall be mandatory for the company to appoint a trading member of BSE as a market maker even after the completion of mandatory period of three years. In case of any default during market making the penalties/actions will be imposed as per the existing guidelines.

Arrangements for disposal Of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 3000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the BSE SME Platform.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter '*Capital Structure*' beginning on page no. 46 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled '*Main Provisions of the Articles of Association*' beginning on page no. 247 of this Prospectus. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the

date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M) (2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is not more than `10 Crore, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 200 and 208 of this Prospectus.

The Issue is being made by way of Fixed Price method.

Following is the Issue Structure:

Public Issue of 54,30,000 Equity shares of face value of ₹10 each fully paid (the 'Equity Shares') for cash at a price of ₹45 per Equity Share aggregating to ₹2443.50 Lacs ('the Issue') by our Company. The Issue comprises a Net Issue to Public of 51,54,000 Equity Shares ('the Net Issue') and a reservation of 2,76,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

| Particulars of the Issue | Net Issue to Public* | Maker Reservation Portion |
|---|---|---------------------------|
| Number of Equity Shares available for allocation | 51,54,000 Equity Shares | 2,76,000 Equity Shares |
| Percentage of Issue Size available for allocation | 94.92% of the Issue Size | 5.08% of the Issue Size |
| Basis of Allotment | Proportionate basis, subject to minimum allotment of 3,000 Equity Shares each. For further details, please refer to the ' <i>Basis of Allotment</i> ' on page no. 221 of this Prospectus | Firm Allotment |
| Mode of Application | All the Applicants (online & physical) through ASBA process | Through ASBA process only |
| Minimum Application Size | <i>For QIB & HNI:</i> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the application size exceeds ₹2,00,000 <i>For Retail Individuals:</i> 3,000 Equity Shares | 2,76,000 Equity Shares |
| Maximum Application Size | <i>For QIB & HNI:</i> Such number of Equity Shares in multiples 3,000 Equity Shares such that application size does not exceed 51,54,000 Equity Shares <i>For Retail Individuals:</i> Such number of Equity Shares in multiples of 3,000 Equity Shares such that application value does not exceed ₹2,00,000 | 2,76,000 Equity Shares |
| Mode of Allotment | Dematerialized form only | Dematerialized form only |
| Trading Lot | 3,000 Equity Shares | 3,000 Equity Shares |
| Terms of Payment | The entire bid amount will be payable at the time of submission of the Application Form | |

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

*As per Regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, the allocation in the net issue to public category

shall be made as follows:

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

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

* In case of joint Application, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

Withdrawal of the Issue

The Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- 1) The final listing and trading approvals of BSE for listing of Equity Shares offered through this issue on its SME Platform, which the Company shall apply for after Allotment and
- 2) The final ROC approval of the Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Issue opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Managers, 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 Programme:

| | |
|---------------------------|-------------------|
| Issue Opening Date | February 07, 2018 |
| Issue Closing Date | February 12, 2018 |

Applications and any revision to the same (except that on the Issue Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m. and 3.00 p.m. Applications will be accepted only on Working Days, i.e., all trading days of stock exchange excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) included below under section ‘PART B–General Information Document’, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI (Listing Obligation and Disclosure Regulations), 2015. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Final Prospectus.

This section applies to all the Applicants, Please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

PART A

Fixed Price Issue Procedure

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the designated intermediaries such as SCSB or Registered Brokers of Stock Exchanges or Registered Registrars to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions of Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form. The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange.

Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form

The prescribed color of the Application Form for various categories is as follows:

| Category | Color of Application Form |
|---|---------------------------|
| Resident Indians and Eligible NRIs applying on a non- repatriation basis (ASBA) | White |
| Eligible NRIs, FVCIs, 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 (ASBA) | Blue |

In accordance with SEBI circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (collectively called "*Designated Intermediaries*")

| Sr. No. | Designated 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 recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('Broker') |
| 4) | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible) |
| 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 intermediary 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 the Stock Exchange will be done by:

- For applications submitted by investors to SCSB : After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
- For applications submitted by investors to intermediaries other than SCSBs : After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and the Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE limited i.e. www.bseindia.com.

Who can apply?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian national's resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;

- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under the irrespective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRI on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRI other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicant's category;
- Alternative Investment Funds, Venture Capital Funds, Foreign Venture Capital Investors registered with SEBI;
- Portfolio Manager registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of ₹2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India

As per the existing regulations, OCBs cannot participate in this Issue.

Participation by Associates/Affiliates of Lead Manager and Syndicate Members

The Lead Manager and the Syndicate Member shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager and Syndicate Member, if any, may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion, as may be applicable to such applicants, where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the Lead Manager and the Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Option to Subscribe in the Issue

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Application by Indian Public including Eligible NRIs applying on Non-Repatriation basis

Application must be made only in the names of individuals, limited companies or Statutory Corporations / Institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is

authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's applications shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

Applications by Eligible NRIs/RFPIs on Repatriation Basis

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

- 1) Foreign Portfolio Investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
- 2) Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
- 3) In respect of investments in the secondary market, the following additional conditions shall apply:
 - (a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - (b) Nothing contained in clause (a) shall apply to:
 - (i) Any transactions in derivatives on a recognized stock exchange;
 - (ii) Short selling transactions in accordance with the framework specified by the Board;
 - (iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (iv) Any other transaction specified by the Board.
 - (c) No transaction on the stock exchange shall be carried forward;
 - (d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:

- (i) transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - (ii) Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - (iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buyback of securities) Regulations, 1998;
 - (v) Divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - (vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - (vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (viii) Any other transaction specified by the Board.
- (e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4) The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5) The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6) In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7) A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with know your client's norms:

Provided that those unregulated broad-based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Application by Mutual Funds

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of a scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only upto 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 33.33% of its corpus by way of subscription to an Initial Public Offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis for the purpose of allocation.

Applications by Limited Liability Partnerships

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA process.

Applications by Insurance Companies

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

- 1) *Equity Shares of a Company*: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) *The entire group of the Investee Company*: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or re-insurer (25% in case of ULIPS); and
- 3) *The industry sector in which the investee Company operates*: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

Application under Power of Attorney

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without as signing any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by Provident Fund with minimum corpus of `2,500 Lacs (subject to applicable law) and Pension Fund 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 Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the Power of Attorney along with the Application Form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the Power of Attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice /CANs/ letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

Applications by Banking Companies

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949 as amended is 30.00% of the paid-up share capital of the investee company or 30.00% of the banks own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such application.

Application by Provident Funds / Pension Funds

In case of applications made by Provident Fund/Pension Fund, subject to applicable laws, with minimum corpus of ₹2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the Provident Fund/ Pension Fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any

application, without assigning any reason thereof.

Terms of Payment / Payment Instructions

The entire Issue price of ₹45 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

- All Applicants are required to make use ASBA for applying in the Issue
- Application Amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.
- Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- Applicants must specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- From one ASBA Account, a maximum of five Applications can be submitted.
- Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

Maximum and Minimum Application Size

a) For Retail Individual Applicants

The Application must be for a minimum of 3,000 Equity Shares and in multiples of ₹3,000 equity shares thereafter, so as to ensure that the Application amount payable by the Applicant does not exceed ₹2,00,000. In case of revision of applications, the Retail Individual Applicants have to ensure that the application amount does not exceed ₹2,00,000.

b) For Other Applicants (Non-Institutional Applicants and QIBs)

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹2,00,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or

maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

Information for the Applicants

- 1.) Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
- 2.) Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
- 3.) Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
- 4.) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
- 5.) Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
- 6.) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
- 7.) Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be suspended for credit and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
- 8.) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in **BLOCK LETTERS** in **English** only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the drafts intermediaries otherwise it will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/ mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application Forms in Public Issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE Limited i.e. www.bseindia.com.

Applicant’s Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant’s name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the

Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs/ Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Basis of Allotment

Allotment will be made in consultation with the BSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for in to the inverse of the oversubscription ratio).
3. For applications where the proportionate allotment works out to less than 3,000 shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 3,000 Equity Shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the draw l of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 Equity Shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 3,000 Equity Shares subject to a minimum allotment of 3,000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 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 offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - b) The balance net offer of shares to the public shall be made available for allotment to
 - i. Individual applicants other than retails individual investors and
 - ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to anyone of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Payment by Stock Invest

In terms of the Reserve Bank of India circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

General Instructions:

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are up dated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- All Applicants should submit their application through ASBA process only.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement\
- Investors shall note that persons banned from accessing capital market are ineligible of investing in the offer.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches/Offices of the Banker to the Issue;
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

Other Instructions

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked

- manually for age, signature and father / husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
 - (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of 'Know Your Client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ('PAN') to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his / her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the

- beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
 - Applications by OCBs;
 - Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
 - Applications not duly signed by the sole Applicant;
 - Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
 - Applications that do not comply with the securities laws of the irrespective jurisdictions are liable to be rejected;
 - Applications by persons prohibited from buying, selling or dealing in the shares directly or in directly by SEBI or any other regulatory authority;
 - Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
 - Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹2,00,000 received after 3.00 pm on the Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or in directly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

Signing of Underwriting Agreement

Vide an Underwriting agreement dated December 28, 2017 this issue is 100% Underwritten.

Filing of the Prospectus with the RoC

The company will file a copy of the Prospectus with the Registrar of Companies, Kanpur & Nainital (Uttar Pradesh & Uttarakhand), in terms of Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Designated Date and Allotment of Equity Shares

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the National Company Law Tribunal under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the

funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

Payment of Refund

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Manager shall intimate Public Issue Bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from Lead Manager and the Registrar for further payment to the beneficiary applicants.

Undertakings by our Company

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file afresh offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
6. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed.

Utilization of Issue Proceeds

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Withdrawal of the Issue

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof .The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two

days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The 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. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final RoC approval of the Prospectus after it is filed with the concerned RoC.
2. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment and if our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue dated December 01, 2017;
- (b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated November 17, 2017;

The Company's Equity shares bear an ISIN Number INE773Y01014

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness so this or her Demographic Details given in the Application Form Vis à Vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

Communications

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts etc.

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make the independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on www.sebi.gov.in. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('ASBA Account') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful Applicants to the ASBA Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the Applicant shall submit the ASBA Application Format the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and after SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors must apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the Applicants from the respective ASBA Account in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective Applicants, would be required to be blocked in the respective ASBA accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA, as the case maybe.

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/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus /Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken inter-alia through Fixed Price Issues. The purpose of the - General Information Document for Investing in Public Issues is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”). Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the

Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section ‘Glossary & Abbreviations’.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1. Initial Public Offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under 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 Crores 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 Crores rupees and upto Twenty Five Crores rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M(2) of Chapter XB of SEBI (ICDR) Regulation.

2.2. Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (the —Companies Act), The Securities Contracts (Regulation) Rules, 1957 (the —SCRRI), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- (a.) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM 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 issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d.) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM 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 Crores.
- (h.) The Issuer shall mandatorily facilitate trading in demat securities.
- (i.) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j.) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (k.) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (l.) The Company should have a website.
- (m.) There has been no change in the promoter of the Company in the one year preceding the date of filing application to BSE Limited for listing on their SME platform.

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 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 106 M (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 Rs 2,500 lakhs. Company also complies with the eligibility conditions laid by the BSE Limited for listing of our Equity Shares.

2.3. 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 Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4. Issue Period

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5. Migration to Main Board

Our company may migrate to the Main board of BSE from SME platform of BSE on a later date subject to the following:

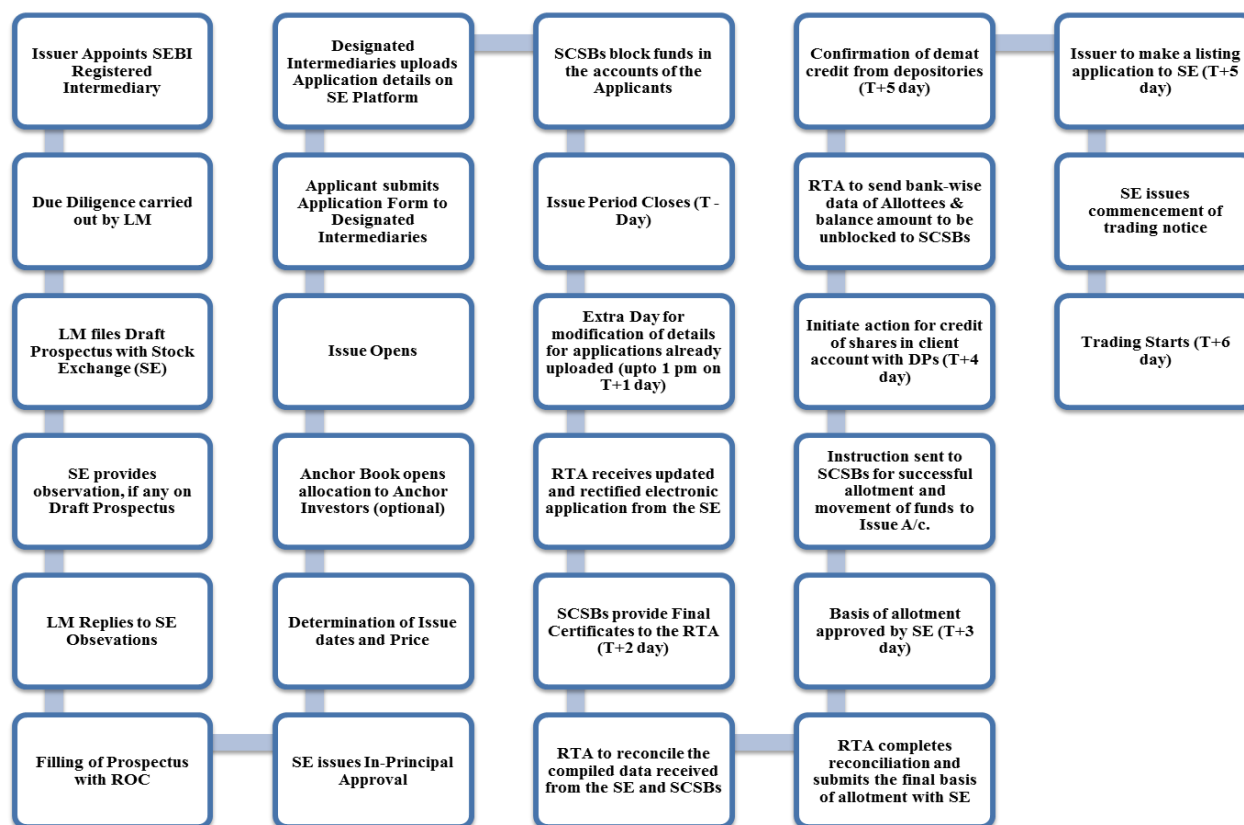
- (a.) If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc.(which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE 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 our company is more than ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6. Flowchart of Timelines

A flow chart of process flow in Fixed Price Issues is as follows:



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, 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. Applicants are requested to refer to the Prospectus for more details. Subject to the above, an illustrative list of Applicants is as follows:

- (i.) 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;
- (ii.) Hindu Undivided Families or HUFs in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- (iii.) 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;
- (iv.) Mutual Funds registered with SEBI;
- (v.) 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;
- (vi.) 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);
- (vii.) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- (viii.) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- (ix.) State Industrial Development Corporations;
- (x.) 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;

- (xi.) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- (xii.) Insurance Companies registered with IRDA;
- (xiii.) 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;
- (xiv.) Multilateral and Bilateral Development Financial Institutions;
- (xv.) 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;
- (xvi.) Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- (xvii.) 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

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available Designated Branches of the SCSBs, at the registered office of the Issuer and at the registered office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

| Category | Color of the Application |
|---|---------------------------------|
| Resident Indian, Eligible NRIs applying on a non-repatriation basis | White |
| NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Applicants applying in the reserved category | Not Applicable |

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants 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 Application Form (Fixed Price Issue)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for Non-Resident Applicants are reproduced below:

Application Form-R

| | | | | | |
|---|---|---|-----------------|---|--|
| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS | | | |
| Address : _____ | Contact Details : _____ | CTN No : _____ | | | |
| TO, THE BOARD OF DIRECTORS XYZ LIMITED | FIXED PRICE GME ISSUE INE0000000000 | Bid cum Application Form No. _____ | | | |
| SYNDICATE MEMBER'S STAMP & CODE | | BROKER/SCSB/DP/RTA STAMP & CODE | | | |
| SUB-BROKER / SUB-AGENT'S STAMP & CODE | | BANK BRANCH SERIAL NO. | | | |
| BANK BRANCH SERIAL NO. | | SCSB SERIAL NO. | | | |
| 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | | | | | |
| Mr./Ms. _____ | | | | | |
| Address _____ | | | | | |
| Tel. No. (with STD code) / Mobile _____ Email _____ | | | | | |
| 2. PAN OF SOLE / FIRST BIDDER | | | | | |
| _____ | | | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NDDI <input type="checkbox"/> CDIL | | | | | |
| For NDDI, enter 8 digit DP ID followed by 4 digit Client ID / For CDIL, enter 16 digit Client ID | | | | | |
| 4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AS "CUT-OFF") | | | | | |
| Bid Option | No. of Equity Shares Bid (In Figures) (Bid must be in multiples of _____) | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | |
| | | Bid Price | Retail Discount | Net Price | "Cut-off" (Please specify) (₹/₹) |
| Option 1 | _____ | _____ | _____ | _____ | <input type="checkbox"/> |
| (OR) Option 2 | _____ | _____ | _____ | _____ | <input type="checkbox"/> |
| (OR) Option 3 | _____ | _____ | _____ | _____ | <input type="checkbox"/> |
| 5. CATEGORY | | | | | |
| <input type="checkbox"/> Retail Investor Bidder | | | | | |
| <input type="checkbox"/> Non-Institutional Bidder | | | | | |
| <input type="checkbox"/> QIB | | | | | |
| <small>* BIDD should apply only through Karva (Application by BIDD should be treated as per voter individual)</small> | | | | | |
| 6. INVESTOR STATUS | | | | | |
| <input type="checkbox"/> Individual(s) - IND | | | | | |
| <input type="checkbox"/> Hindu Undivided Family* - HUF | | | | | |
| <input type="checkbox"/> Bodies Corporate - CO | | | | | |
| <input type="checkbox"/> Banks & Financial Institutions - FI | | | | | |
| <input type="checkbox"/> Mutual Funds - MF | | | | | |
| <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) | | | | | |
| <input type="checkbox"/> National Investment Fund - NIF | | | | | |
| <input type="checkbox"/> Insurance Funds - IF | | | | | |
| <input type="checkbox"/> Insurance Companies - IC | | | | | |
| <input type="checkbox"/> Venture Capital Funds - VCF | | | | | |
| <input type="checkbox"/> Alternative Investment Funds - AIF | | | | | |
| <input type="checkbox"/> Others (Please specify) - OTH _____ | | | | | |
| 7. PAYMENT DETAILS | | | | | |
| Amount paid (₹ in figures) _____ (₹ in words) _____ | | | | | |
| PAYMENT OPTION (FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/> | | | | | |
| ASBA Bank A/c No. _____ | | | | | |
| Bank Name & Branch _____ | | | | | |
| <small>WE/WE THE BIDDERS/BUYERS/APPPLICANTS, IF ANY, HEREBY CONFIRM THAT WE/HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE STANDARD AGREED PROVISIONS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS' UNDERTAKING AS GIVEN OVERLEAF (WE) OR BEHALF OF (SHE) APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE/HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small> | | | | | |
| BA: SIGNATURE OF SOLE / FIRST BIDDER | BB: SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>(We warrant the SCSB holds all data as per necessary to make the Application in the line)</small> | BROKER / SCSE / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) | | | |
| _____ | 1) _____ 2) _____ 3) _____ | _____ | | | |
| TEAR HERE | | | | | |
| LOGO | XYZ LIMITED INITIAL PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSE/DP/RTA | | | |
| | | Bid cum Application Form No. _____ | | | |
| DPID / CLID | | PAN of Sole / First Bidder | | | |
| Amount paid (₹ in figures) | Bank & Branch | Stamp & Signature of SCSB Branch | | | |
| ASBA Bank A/c No. | | | | | |
| Received from Mr./Ms. | | | | | |
| Telephone / Mobile | Email | | | | |
| TEAR HERE | | | | | |
| XYZ LIMITED - INITIAL PUBLIC ISSUE - R | Option 1 | Option 2 | Option 3 | Stamp & Signature of Broker / SCSE / DP / RTA | Name of Sole / First Bidder |
| | No. of Equity Shares | | | | |
| | Bid Price | | | | |
| | Amount Paid (₹) | | | | |
| | ASBA Bank A/c No. | | | | Acknowledgement Slip for Bidder |
| Bank & Branch | | | | Bid cum Application Form No. _____ | |

Application Form-NR

| | | | | | | |
|---|--|---|---|-----------|---|--|
| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - NR Address : _____ Contact Details : _____ CIN No _____ | For Eligible NRI, FI, FVCI, applying on Restriction Basis | | | | |
| LOGO | TO, THE BOARD OF DIRECTORS XYZ LIMITED | FIXED PRICE GME ISSUE INE00000000000 | | | | |
| | | Bid cum Application Form No. _____ | | | | |
| SYNDICATE MEMBER'S STAMP & CODE | | BROKER/SCSB/DP/RTA STAMP & CODE | | | | |
| SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | | EDGEWELL BANKING BRANCH STAMP & CODE | | | | |
| BANK BRANCH SERIAL NO. | | SCSB SERIAL NO. | | | | |
| 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | | | | | | |
| Mr. / Ms. _____ | | | | | | |
| Address _____ | | | | | | |
| Tel. No (with STD code) / Mobile _____ Email _____ | | | | | | |
| 2. PAN OF SOLE / FIRST BIDDER | | | | | | |
| _____ | | | | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> 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") | | | 5. CATEGORY | | | |
| Bid Options | No. of Equity Shares Bid (In Figures) <i>(This must be in multiples of Bid Lot as advertised)</i> | Price per Equity Share (₹): "Cut-off" <i>(Price in multiples of ₹ 1/- only) (In Figures)</i> | | | | |
| | | Bid Price | Retail Discount | Net Price | | |
| Option 1 | | | | | | |
| (OR) Option 2 | | | | | | |
| (OR) Option 3 | | | | | | |
| | | | <input type="checkbox"/> Retail Investor Bidder | | | |
| | | | <input type="checkbox"/> Non-Institutional Bidder | | | |
| | | | <input type="checkbox"/> QIB | | | |
| 6. Investor Status | | | | | | |
| <input type="checkbox"/> Non-Resident Indian (Repatriation basis) | | NRI | | | | |
| <input type="checkbox"/> Foreign Institutional Investor | | FI | | | | |
| <input type="checkbox"/> Foreign Venture Capital Investor | | FVC | | | | |
| <input type="checkbox"/> FI (Sub Account Corporate/ Individual) | | FI SA | | | | |
| <input type="checkbox"/> Others (Please Specify) | | OTH | | | | |
| 7. PAYMENT DETAILS PAYMENT OPTION : FULL PAY | | | | | | |
| Amount paid (₹ in figures) _____ (₹ in words) _____ | | | | | | |
| ASBA Bank A/c No. _____ | | | | | | |
| Bank Name & Branch _____ | | | | | | |
| I/WE (I/WE) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNOUNCEMENT AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE BID CUM APPLICATION FORM GIVEN OVERLEAF. | | | | | | |
| 8A. SIGNATURE OF SOLE / FIRST BIDDER | | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) <i>(AS PER BANK RECORDS)</i> | | | | |
| _____ | | I/We authorize the SCSB to do all as may be necessary to make the Application in the line | | | | |
| Date: _____ | | 1) _____ | | | | |
| | | 2) _____ | | | | |
| | | 3) _____ | | | | |
| | | BROKER / SCSB / DP / RTA STAMP (Acknowledging receipt of Bid in Stock Exchange system) | | | | |
| TEAR HERE | | | | | | |
| LOGO | XYZ LIMITED INITIAL PUBLIC ISSUE - NR | Acknowledgement Slip for Broker/SCSB/DP/RTA | Bid cum Application Form No. _____ | | | |
| DPID (CIN ID) _____ | | PAN of Sole / First Bidder _____ | | | | |
| Amount paid (₹ in figures) _____ | | 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 | No. of Equity Shares | Option 1 | Option 2 | Option 3 | Stamp & Signature of Broker / SCSB / DP / RTA | Name of Sole / First Bidder _____ |
| | Bid Price | | | | | |
| | Amount Paid (₹) | | | | | Acknowledgement Slip for Bidder |
| | ASBA Bank A/c No. _____ | | | | | |
| Bank & Branch _____ | | | | | | |

4.1.1. Field Number 1: Name and Contact Details of the Sole/First Applicant

Applicants 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:* Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned/undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the 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 Applications:* In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c.) *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:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities;
- or makes or abets making of multiple applications to a Company in different names or indifferent combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.

- (d.) *Nomination Facility to Applicant:* Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2. Field Number 2: PAN of Sole/First Applicant

- (a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (—PAN Exempted Applicants!). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c.) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in active status; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

- (e.) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as —Inactive demat accounts and demographic details are not provided by depositories.

4.1.3. Field Number 3: Applicants Depository Account Details

- (a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- (b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- (d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicant's sole risk.

4.1.4. Field Number 4: Application Details

- (a.) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.
- (b.) Minimum And Maximum Application Size
- (i.) *For Retail Individual Applicants:*
The Application must be for a minimum of 6,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed ₹2,00,000, they can make Application for only minimum Application size i.e. for 6,000 Equity Shares.
- (ii.) *For Other Applicants (Non Institutional Applicants and QIBs):*
The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹2,00,000 and in multiples of 6,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.
- (c.) Multiple Applications: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application numbers shall be treated as multiple applications and are liable to be rejected.
- (d.) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
- (i.) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

- (ii.) For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e.) The following applications may not be treated as multiple Applications:
- (i.) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
 - (ii.) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - (iii.) Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5. Field Number 5: Category of Applicants

- (a.) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b.) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c.) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6. Field Number 6: Investor Status

- (a.) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d.) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7. Field 7: Payment Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1. Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8. 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 applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discount offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. Field Number 8: Signatures and other Authorisations

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Applications, signature has to be correctly affixed in the authorisation/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- (d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10. Acknowledgement and Future Communication

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in the Issue should be addressed as under:
 - (i.) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.
 - (ii.) In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - (iii.) Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
- (b) The following details (as applicable) should be quoted while making any queries -
 - (i.) Full name of the sole or First Applicant, Application Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.
 - (ii.) In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2. Instructions for filing the Revision Form

- (a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application 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 applications till closure of the Issue period
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form-R

| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|---|---|----------------------|--------------------------|------------------------------------|------------------------------------|-----------------|---------------|-----------------|----------|-------------|-------------------|--|--|------------------------|--------------------------|-------------------------------|---|--|--|--|--|--------------------------|---------------|--|--|--|--|--|--------------------------|--|
| Address : _____ | Contact Details : _____ | CTN No : _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TO, THE BOARD OF DIRECTORS XYZ LIMITED | FIXED PRICE GME ISSUE INE0000000000 | Bid cum Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">SYNDICATE MEMBER'S STAMP & CODE</td> <td style="width:33%;">BROKER/SCSB/DP/RTA STAMP & CODE</td> <td style="width:34%;">1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER</td> </tr> <tr> <td> </td> <td> </td> <td>Mr./Ms. _____</td> </tr> <tr> <td> </td> <td> </td> <td>Address _____</td> </tr> <tr> <td> </td> <td> </td> <td>Email _____</td> </tr> <tr> <td> </td> <td> </td> <td>Tel. No (with STD code) / Mobile _____</td> </tr> <tr> <td>BANK BRANCH SERIAL NO.</td> <td>SCSB SERIAL NO.</td> <td>2. PAN OF SOLE / FIRST BIDDER</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table> | | SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | | | Mr./Ms. _____ | | | Address _____ | | | Email _____ | | | Tel. No (with STD code) / Mobile _____ | BANK BRANCH SERIAL NO. | SCSB SERIAL NO. | 2. PAN OF SOLE / FIRST BIDDER | | | | | | | | | | | | | | |
| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE | 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Mr./Ms. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Address _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Email _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Tel. No (with STD code) / Mobile _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BANK BRANCH SERIAL NO. | SCSB SERIAL NO. | 2. PAN OF SOLE / FIRST BIDDER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NDDI <input type="checkbox"/> CDRL | | 4. INVESTOR STATUS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For NDDI, enter 8 digit DP ID followed by 4 digit Client ID / For CDRL, enter 16 digit Client ID | | <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") | | 6. CATEGORY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Option</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bid must be in multiples of _____)</th> <th colspan="4">Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please specify in ₹)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th> </th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td><input type="checkbox"/></td> </tr> </tbody> </table> | Bid Option | No. of Equity Shares Bid (In Figures) (Bid must be in multiples of _____) | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | | "Cut-off" (Please specify in ₹) | Bid Price | Retail Discount | Net Price | | Option 1 | | | | | | <input type="checkbox"/> | (OR) Option 2 | | | | | | <input type="checkbox"/> | (OR) Option 3 | | | | | | <input type="checkbox"/> | <input type="checkbox"/> Retail Investor Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB |
| Bid Option | | | No. of Equity Shares Bid (In Figures) (Bid must be in multiples of _____) | Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | | "Cut-off" (Please specify in ₹) | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Bid Price | Retail Discount | | Net Price | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Option 1 | | | | | | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | | | | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (OR) Option 3 | | | | | | <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. PAYMENT DETAILS | | PAYMENT OPTION (FULL PAYMENT) <input type="checkbox"/> PART PAYMENT <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount paid (₹ in figures) _____ (₹ in words) _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ASBA Bank A/c No. _____ Bank Name & Branch _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <small>WE/WE THE REGULAR/REGULAR APPLICANTS, IF ANY, HEREBY CONFIRM THAT WE/HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE STANDARD AGREED PROVISIONS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDER'S UNDERTAKING AS GIVEN OVERLEAF (WE) OR BEHALF OF (SHE) APPLICANT(S), IF ANY, HEREBY CONFIRM THAT WE/HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.</small> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8A. SIGNATURE OF SOLE / FIRST BIDDER | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) <small>(We warrant the SCSB to be all that is necessary to make the Application in the line:)</small> | BROKER / SCSEB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEAR HERE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LOGO | XYZ LIMITED INITIAL PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSEB/DP/RTA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Bid cum Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| DPID / CLID | | PAN of Sole / First Bidder | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount paid (₹ in figures) | Bank & Branch | Stamp & Signature of SCSB Branch | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ASBA Bank A/c No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Received from Mr./Ms. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Telephone / Mobile | Email | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEAR HERE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| XYZ LIMITED - INITIAL PUBLIC ISSUE - R | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td> </td> <td> </td> </tr> <tr> <td>Bid Price</td> <td> </td> <td> </td> </tr> <tr> <td>Amount Paid (₹)</td> <td> </td> <td> </td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td> </td> <td> </td> </tr> <tr> <td>Bank & Branch</td> <td> </td> <td> </td> </tr> </table> | Option 1 | Option 2 | Option 3 | No. of Equity Shares | | | Bid Price | | | Amount Paid (₹) | | | ASBA Bank A/c No. | | | Bank & Branch | | | Stamp & Signature of Broker / SCSEB / DP / RTA | | | | | | | | | | | | | |
| Option 1 | Option 2 | Option 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| No. of Equity Shares | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bid Price | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Amount Paid (₹) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ASBA Bank A/c No. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bank & Branch | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Name of Sole / First Bidder | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Acknowledgement Slip for Bidder | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Bid cum Application Form No. _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

4.2.1.Fields 1, 2 and 3: Name and Contact Details of Sole/First Applicant, PAN of Sole/First Applicant & Depository Account Details of the Applicant

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2.Field 4 & 5: Application Revision ‘From’ and ‘To’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed ₹2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3.Field 6: Payment Details

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4.Fields 7: Signatures and Acknowledgements

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. Submission of Revision Form/Application Form

Applicants may submit completed application form / Revision Form in the following manner:

| Mode of Application Form | Submission of Application Form |
|---------------------------------|---|
| All Investors Application | To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form |

SECTION-5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5) Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only (‘ASBA Account’). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

6) Grounds of Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depository);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number; Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or 'Qualified Institutional Buyers' as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company interms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹2,00,000, received after 3.00 p.m. on the Issue Closing Date, unless the extended time is permitted by BSE.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION-6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1. BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a.) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b.) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c.) For applications where the proportionate allotment works out to less than 6,000 equity shares the allotment will be made as follows:
 - (i.) Each successful Applicant shall be allotted 6,000 equity shares; and
 - (ii.) The successful Applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- (d.) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 6,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 6,000 equity shares subject to a minimum allotment of 6,000 equity shares.
- (e.) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 6,000 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, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- (f.) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
 - (i.) As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - (ii.) The balance net offer of shares to the public shall be made available for allotment to
 - Individual applicants other than retails individual investors and
 - Other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - (iii.) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE-the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2. Designated Date and Allotment of Equity Shares

- (a.) Designated Date: On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b.) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

(c.) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d.) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the 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 5 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 5 Working Days of the 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 Applicants 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, and as disclosed in the Prospectus.

8.2.2 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 Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at a rate 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 Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications 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 Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the 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 |
|---|--|
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Applicants |
| Allottee | An Applicant to whom the Equity Shares are Allotted |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Applicant | Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form. |
| Application | An indication to make an offer during the Issue Period by a prospective investor pursuant to submission of Application Form, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto. |
| Application Amount | The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable). |
| Application Form | The form in terms of which the Applicant should make an application for Allotment in case of issues |
| Application Supported by Blocked Amount / ASBA) /ASBA | An application, whether physical or electronic, used by Applicants to make an Application authorising the SCSB to block the Application Amount in the specified bank account maintained with such SCSBs Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all potential investors shall participate in the Issue only through ASBA process providing details about the bank account which will be blocked by the SCSBs. |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant |
| Banker(s) to the Issue | The bank which is clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Applicants under |

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|---|--|
| | the Issue |
| Business Day | Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays) |
| CAN/Confirmation of Allotment Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Companies Act | The Companies Act, 1956 and the Companies Act, 2013 to the extent notified |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| Designated Date | The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account following which the board of directors may give delivery instructions for the transfer of the Equity Shares constituting the Issue |
| Designated Stock Exchange | The designated stock exchange as disclosed in the Prospectus/Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Draft Prospectus | The draft prospectus filed with the Designated Stock Exchange in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Applicant may refer to the draft Prospectus/Prospectus |
| Equity Shares | Equity shares of the Issuer |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Applicant | The Applicant whose name appears first in the Application Form or Revision Form |
| FII(s) | Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India |
| Fixed Price Issue/ Fixed Price Process / Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| FPI(s) | Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors |
| FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014. |
| FPO | Further Public Offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Issue Closing Date | The date after which the Designated Intermediary may not accept any Applications for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Closing Date |
| Issue Opening Date | The date on which the Designated Intermediary may start accepting Applications for |

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| | the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period |
| Issue Price | The Price at which Equity Shares will be issued and allotted by our Company being ₹27/- per Equity Share. |
| Lead Manager(s)/Lead Manager/ LM | The Lead Manager to the Issue as disclosed in the Draft Prospectus/Prospectus and the Application Form of the Issuer. |
| Maximum RII Allottees | The maximum number of RIIs who can be allotted the minimum Lot size. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Lot size. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less Market Maker reservation portion |
| Non-Institutional Investors or NIIs | All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs), FPIs which are category III FPIs |
| Non-Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the draft Prospectus/Prospectus and the Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs/FPIs registered with SEBI and FVCIs registered with SEBI |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Other Investors | Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date |
| Qualified Financial Investors or QFIs | Non-Resident investors, other than SEBI registered FIIs/FPIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; |

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| | <p>and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI.</p> <p>Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies</p> |
| QIB Category | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registered Broker | Stock Brokers registered with the Stock Exchanges having nationwide terminals |
| Registrar to the Issue/RTI | The Registrar to the Issue as disclosed in the draft Prospectus/Prospectus and Application Form |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion |
| Reservation Portion | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Investors / RIIs | Investors who applies or Applications for a value of not more than ₹200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies for a value of not more than ₹200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum lot size, subject to availability in RII category and the remaining shares to be allotted on proportionate basis. |
| Revision Form | The form used by the Applicants in an issue to modify the quantity of Equity Shares indicates therein in any of their Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations, 2009 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self-Certified Syndicate Bank(s) or SCSB(s) | Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in and updated from time to time and at such other websites as may be prescribed by SEBI from time to time |
| Stock Exchanges/ SE | The stock exchanges as disclosed in the draft Prospectus/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Underwriters | The Lead Manager(s) |
| Underwriting Agreement | The agreement between the Issuer and the Underwriters |
| Working Day | All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 issued by SEBI. |

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 26% under automatic route in our Company. India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular of 2016 with effect from June 07, 2016 ("Circular of 2016"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, this circular of 2016 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and then on-resident shareholding is within the sectorial limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act") or any state securities laws in the United States and may not be offered within the United States or to or for the account or benefit of "U.S. Persons" (as defined in Regulations), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered only outside the United States in offshore transaction in reliance on Regulations under the U.S securities Act and the applicable laws of the jurisdiction where those offers occur. However, the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

CONSTITUTION OF THE COMPANY

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

INTERPRETATION CLAUSE

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
 - a. 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
 - b. 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
 - c. 'The Company' or 'This Company' means **TASTY DAIRY SPECIALITIES LIMITED**.
 - d. 'Directors' means the Directors for the time being of the Company.
 - e. 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
 - f. 'Members' means members of the Company holding a share or shares of any class.
 - g. 'Month' shall mean a calendar month.
 - h. 'Paid-up' shall include 'credited as fully paid-up'.
 - i. 'Person' shall include any corporation as well as individual.
 - j. 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
 - k. 'Section' or 'Sec.' means Section of the Act.
 - l. Words importing the masculine gender shall include the feminine gender.
 - m. Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
 - n. 'Special Resolution' means special resolution as defined by Section 114 in the Act.
 - o. 'The Office' means the Registered Office for the time being of the Company.
 - p. 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
 - q. 'Proxy' includes Attorney duly constituted under a Power of Attorney.
3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
4. The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.
5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.

6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.
7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
 - I.
 - (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
 - (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
 - (d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
 - II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.
 - III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:
 - (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
 - (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
8.
 - (1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a General Meeting of the holders of the shares of that class.
 - (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

Issue of further shares with disproportionate rights

9. Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.

Not to issue shares with disproportionate rights

10. The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.

Power to pay commission

11. The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.

Liability of joint holders of shares

12. The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

Trust not recognised

13. Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

Issue other than for cash

14. a. The Board may issue and allot 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 shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
- b. As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

Acceptance of shares

15. An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

Member' right to share Certificates

16. 1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
- a. One certificate for all his shares; or
- b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
3. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the seal of the Company and signed by two Directors and the Secretary or authorised official(s) of the Company.

One Certificate for joint holders

17. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where

more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

Renewal of Certificate

18. If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.
19. For every certificate issued under the last preceding Article, fee shall be charged by the Company.

Splitting and consolidation of Share Certificate

20. The shares of the Company will be split up/consolidated in the following circumstances:
 - (i) At the request of the member/s for split up of shares in marketable lot.
 - (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

Directors may issue new Certificate(s)

21. Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

Person by whom installments are payable

22. 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 installment, shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

LIEN

Company's lien on shares

23. The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

As to enforcing lien by sale

24. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolvency of the register holder.

Authority to transfer

25.
 - a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

Application of proceeds of sale

26. The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

CALLS ON SHARES

Calls

27. Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

When call deemed to have been made

28. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

Length of Notice of call

29. Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

Sum payable in fixed installments to be deemed calls

30. If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

When interest on call or installment payable

31. If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

Sums payable at fixed times to be treated as calls

32. The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

Payment of call in advance

33. The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

Partial payment not to preclude forfeiture

34. Neither a judgment nor a decree in favour of the Company for calls 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 to time, be due from any member in respect of any share, either by way of principal or interest nor any indulgency 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 herein after provided.

FORFEITURE OF SHARES

If call or installment not paid, notice may be given

35. If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. 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 share.

Evidence action by Company against shareholders

36. On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Form of Notice

37. The notice shall name a further day (not earlier than the expiration 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 shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

If notice not complied with, shares may be forfeited

38. If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice after forfeiture

39. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Boards' right to dispose of forfeited shares or cancellation of forfeiture

40. A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

Liability after forfeiture

41. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim

be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

Effect of forfeiture

42. The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

Evidence of forfeiture

43. A duly verified declaration in writing that the declarant is a Director 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, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and 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.

Non-payment of sums payable at fixed times

44. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

Validity of such sales

45. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

TRANSFER AND TRANSMISSION OF SHARES

Transfer

46. a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.
- Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.
- c. 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. 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.

- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. Nothing in Sub-clause (d) 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.

Form of transfer

- 47. Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

Board's right to refuse to register

- 48. a. The Board, may, at its absolute discretion and without assigning any reason, decline to register
 - 1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
 - 2. Any transfer or transmission of shares on which the Company has a lien
 - a. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on the shares.
 - b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
 - c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
 - d. The provisions of this clause shall apply to transfers of stock also.

Further right of Board of Directors to refuse to register

- 49. a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.
- b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
- c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.
- d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:
 - i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.
 - ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.
 - iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.
 - iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.
 - v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company. Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand

in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).

Rights to shares on death of a member for transmission

50. a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.
- Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.
- Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.
- Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

Rights and liabilities of person

51. 1. 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 be required by the Board and subject as herein, after provided elect either
- a. to be registered himself as a holder of the share or
- b. to make such transfer of the share as the deceased or insolvent member could have made.
2. 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.

Notice by such a person of his election

52. a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.

No transfer to infant, etc.

53. No transfer shall be made to an infant or a person of unsound mind.

Endorsement of transfer and issue of certificate

54. Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

Custody of transfer

55. The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

Register of members

56. a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

Closure of Register of members

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

When instruments of transfer to be retained

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

Company's right to register transfer by apparent legal owner

57. 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 title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book 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 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 so think fit.

ALTERATION OF CAPITAL

Alteration and consolidation, sub-division and cancellation of shares

58. a. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:
1. increase its share capital by such amount as it thinks expedient by issuing new shares;
 2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
 4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.
 5.
 - a. Cancel shares which, at the date of passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.
 - b. The resolution whereby any share is sub-divided may determine that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
 6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

Reduction of capital, etc. by Company

59. The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
- a. its share capital;
 - b. any capital redemption reserve account; or
 - c. any share premium account.

GENERAL MEETINGS

Annual General Meeting

68. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

Extraordinary General Meeting

69. 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

Right to summon Extraordinary General Meeting

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

Extraordinary Meeting by requisition

70. a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.
- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

Length of notice for calling meeting

71. A General Meeting of the Company may be called by giving not less than twenty one day's notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting.
- Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

Accidental omission to give notice not to invalidate meeting

72. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

Special business and statement to be annexed

73. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business

including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

Quorum

74. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:
Number of members upto 1000: 5 members personally present
Number of members 1000-5000: 15 members personally present
Number of members more than 5000: 30 members personally present

If quorum not present, when meeting to be dissolved and when to be adjourned

75. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

Chairman of General Meeting

76. The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.

When Chairman is absent

77. If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

Adjournment of meeting

78. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

Questions at General Meeting how decided

79. At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

Casting vote

80. In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Taking of poll

81. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

In what cases poll taken without adjournment

82. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

Votes

83. a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
- b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
- c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.

Business may proceed notwithstanding demand for poll

84. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Joint holders

85. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Member of unsound mind

86. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

No member entitled to vote while call due to Company

87. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Proxies permitted on polls

88. On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

Instrument of proxy

89. a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.
- b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
 2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- c. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as if he were personally the member, creditor or debenture holder.

Instrument of proxy to be deposited at the office

90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

Validity of vote by proxy

91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

Form of proxy

92. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

DIRECTORS

Number of Directors

93. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

a) Board of Directors

The First Directors of the Company are;

1. ATUL MEHRA
2. PREM NANDAN MEHRA

b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Office

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.

94. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

Qualification of Directors

95. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

Director's remuneration

96. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.

Directors may act notwithstanding vacancy

97. The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 119 below:

Chairman or Vice-chairman of the Board

98. a. Notwithstanding anything contained in these Articles and pursuant to provisions of the Act, Managing Director of the company will act as Chairman of the board and Deputy Managing Director will act as Vice chairman of the board.
- b. Subject to the provisions of the Act, the Chairman and the Vice Chairman may be paid such remuneration for their services as Chairman and Vice Chairman respectively, and such reasonable expenses including expenses connected with travel, secretarial service and entertainment, as may be decided by the Board of Directors from time to time.

Casual vacancy

99. If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

MANAGER

Manager

155. Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

COMMON SEAL

Common Seal

156. The Board shall provide a common seal of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the Registered Office of the Company and committed to the custody of the Directors.

Affixture of Common Seal

157. The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or Committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by one Director and the Secretary in whose presence the seal shall have been affixed or such other person as may, from time to time, be authorised by the Board and provided nevertheless that any instrument bearing the seal of the Company issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same provided also the counter signature of the Chairman or the Vice Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.

DIVIDENDS AND RESERVES

Rights to Dividend

158. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

Declaration of Dividends

159. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

What to be deemed net profits

160. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend

161. 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.

Dividends to be paid out of profits only

162. 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.

Reserve Funds

163. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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, think fit.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

Method of payment of dividend

164. a. Subject to the rights of persons, if any, entitled to share 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.
- b. 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.
- c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.

Deduction of arrears

165. 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 in relation to the shares of the Company or otherwise.

Adjustment of dividend against call

166. Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

Payment by cheque or warrant

167. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 of the holder as the joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

Retention in certain cases

168. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

Receipt of joint holders

- (A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:
- a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.

Deduction of arrears

169. Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

Notice of Dividends

170. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

Dividend not to bear interest

171. No dividend shall bear interest against the Company.

Unclaimed Dividend

172. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

Transfer of share not to pass prior Dividend

173. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

Capitalisation of Profits

174. a. The Company in General Meeting, may on the recommendation of the Board, resolve:
1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
 2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub clause (3) either in or towards:
1. paying up any amount for the time being unpaid on any share held by such members respectively;
 2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
 3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

Powers of Directors for declaration of Bonus

175. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue or fully paid shares if any; and
 2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:
1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
 2. 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 the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

Books of account to be kept

176. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.

- b. 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 in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

Where books of account to be kept

177. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

Inspection by members

178. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or 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 any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

Statement of account to be furnished to General Meeting

179. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

Financial Statements

180. Subject to the provisions of Section 129, 133 of the Act, every 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.

Authentication of Financial Statements

181. a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

Auditors Report to be annexed

182. The Auditor's Report shall be attached to the financial statements.

Board's Report to be attached to Financial Statements

183. a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
- b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.
- e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

Right of member to copies of Financial Statements

184. The Company shall comply with the requirements of Section 136.

WINDING UP

Winding up

202. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities pari-passu and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

Division of assets of the Company in specie among members

203. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

INDEMNITY AND RESPONSIBILITY

Directors' and others' right to indemnity

204. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.
205. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight on his part of for any loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

SECTION IX - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus and 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 located at, from the date of filing the Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

- 1) Mandate Letters issued by Lead Manager, Mark Corporate Advisors Private Limited on September 20, 2017 to our Company.
- 2) MOU dated December 26, 2017 between our Company and the Lead Manager.
- 3) MOU dated December 29, 2017 between our Company and the Registrar to the Issue.
- 4) Public Issue Account Agreement dated January 20, 2018 among our Company, the Lead Manager, the Public Issue Bank/Banker to Issue and the Registrar to the Issue.
- 5) Underwriting agreement dated December 28, 2017 between our Company and Lead Manager, Mark Corporate Advisors Private Limited and NNM Securities Private Limited.
- 6) Market Making Agreement dated December 28, 2017 between our Company, the Lead Manager and the Market Maker.
- 7) The Company has entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue dated December 01, 2017
- 8) The Company has entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue dated November 17, 2017.

MATERIAL DOCUMENTS

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Resolution of the Board dated November 10, 2017 authorizing the Issue.
- 3) Special Resolution of the shareholders passed at the EGM dated December 09, 2017 authorizing the Issue.
- 4) Copies of Audited Financial Statements of our Company for half year ended September 2017 and for the financial year ending March 31, 2017, 2016, 2015, 2014 & 2013.
- 5) Statement of Tax Benefits dated December 23, 2017 issued by Statutory Auditors, Atul Garg & Associates, Chartered Accountants.
- 6) Report of the Peer Review Auditor, Mittal & Associates, Chartered Accountants, on the Restated Financial Statements for Six (6) months period ended September 30, 2017 and Financial Year ended as on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
- 7) Copy of Certificate from the Peer Review Auditors of our Company, M/s Mittal & Associates, Chartered Accountants, dated December 28, 2017 regarding the Eligibility of the Issue.
- 8) Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Bankers to our Company, the Lead Manager, Underwriter, Registrar to the Issue, Market Maker to the Issue, Legal Advisor, Banker to the Issue/Public Issue Bank to the Issue, to act in their respective capacities.
- 9) Copy of approval from BSE *vide* letter dated January 17, 2018 to use the name of BSE in the offer document for listing of Equity Shares on BSE SME Platform.
- 10) Due Diligence Certificate dated January 22, 2018 issued by the Lead Manager i.e. Mark Corporate Advisors Private Limited.
- 11) Copy of certificate from the Statutory Auditor of our Company, Atul Garg & Associates, Chartered Accountants, regarding source and deployment of funds as on January 03, 2018.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956 and the guidelines issued by the Government of India or the Regulations/Guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by the Directors of our Company:

Atul Mehra

Chairman & Whole Time Director

DIN: 00811607

Prem Nandan Mehra

Executive Director

DIN: 01036877

Mahendra Kumar Singh

Executive Director

DIN: 02727150

Narendra Shankar Sathe

Independent Director

DIN: 07195257

Neeraj Kanodia

Independent Director

DIN: 07195262

Vimi Sinha

Independent Director

DIN: 07311247

Signed by the Chief Financial Officer & Company Secretary of our Company:

Rakesh Kumar Yadav

Chief Financial Officer

Nishi

Company Secretary & Compliance Officer

Place : Kanpur

Date : January 24, 2018