



## HINDPRAKASH INDUSTRIES LIMITED

Our Company was originally incorporated as Hindprakash Lonsen Industries Private Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated November 11, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to Shareholder's Resolution passed at the Extra Ordinary General Meeting held on February 16, 2018, the name of our Company was changed to Hindprakash Industries Private Limited vide a fresh Certificate of Incorporation dated March 14, 2018 issued by the Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on November 15, 2018 and consequent upon conversion, the name of our Company was changed to Hindprakash Industries Limited vide a fresh certificate of incorporation issued by the Registrar of Companies, Ahmedabad dated November 29, 2018 bearing Corporate Identity Number U24100GJ2008PLC055401. For further details please refer to chapter titled "General Information" and "History and Certain Corporate Matters" beginning on pages 48 and 131 respectively.

**Corporate Identification Number:** U24100GJ2008PLC055401

**Registered Office:** 301, Hindprakash House, Plot No.10/6, GIDC, Vatva, Ahmedabad- 382445, Gujarat, India

**Contact Person:** Mr. Hetal Kishorbhai Shah, Chief Financial Officer; **Tel. No.:** +91-79-6812 7000-10; **Fax No.:** +91-79 6812 7096

**Website:** www.hindprakash.in, **E-mail:** info@hindprakash.com

**PROMOTERS OF OUR COMPANY: MR. SANJAY PRAKASH MANGAL, MR. OM PRAKASH MANGAL AND MR. SANTOSH NARAYAN NAMBIAR**

### THE ISSUE

INITIAL PUBLIC ISSUE OF 28,80,000 EQUITY SHARES OF FACE VALUE OF RS.10/- EACH (THE "EQUITY SHARES") OF HINDPRAKASH INDUSTRIES LIMITED ("OUR COMPANY" OR "HIL" OR "THE ISSUER") FOR CASH AT A PRICE OF RS.40 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 30 PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO RS. 1152 LAKHS ("THE ISSUE") OF WHICH 1,50,000 EQUITY SHARES AGGREGATING TO RS. 60 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. 27,30,000 EQUITY SHARES OF FACE VALUE OF RS.10 EACH AT AN ISSUE PRICE OF RS. 40 PER EQUITY SHARE AGGREGATING TO RS. 1092 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.63% AND 26.19%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 238.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 25(2) OF SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER CHAPTER TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 247.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 and Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 247. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 247.

### RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is Rs.10 and the Issue price of Rs. 40 per Equity Share. The Issue Price (determined and justified by our Company in consultation with the Lead Manager, as stated under chapter titled 'Basis for Issue Price' beginning on page 87) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 25

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and this 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, omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

### LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received in-principle approval letter dated November 11, 2019 from NSE for using its name in the Offer Document for listing of our shares on the Emerge Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

### LEAD MANAGER TO THE ISSUE

### REGISTRAR TO THE ISSUE



**Hem Securities Ltd.**

**HEM SECURITIES LIMITED**  
904, A Wing, 9<sup>th</sup> Floor, Naman Midtown,  
Senapati Bapat Marg, Elphinstone Road, Mumbai-400013, India.  
**Tel :** +91 22 4906 0000  
**Email:** ib@hemsecurities.com  
**Investor Grievance Email:** redressal@hemsecurities.com  
**Website:** www.hemsecurities.com  
**Contact Person:** Anil Bhargava  
**SEBI registration number:** INM000010981



**Bigshare Services Pvt. Ltd.**

**BIGSHARE SERVICES PRIVATE LIMITED**  
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road,  
Marol, Andheri (East), Mumbai – 400059, Maharashtra India.  
**Tel No:** +91-22-6263 8200  
**Email:** ipo@bigshareonline.com  
**Investor Grievance Email:** investor@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Swapnil Kate  
**SEBI Registration Number:** INR000001385

### ISSUE PROGRAMME

**ISSUE OPENS ON:**

**JANUARY 15, 2020**

**ISSUE CLOSES ON:**

**JANUARY 17, 2020**

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## SECTION I – GENERAL

## DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company”, “Main Provisions of Articles of Association”, beginning on pages 90,156 and 273 respectively, shall have the meaning ascribed to such terms in the relevant section.*

**General Terms**

Terms	Description
“HIL”, “the Company”, “our Company”, “Hindprakash Industries Limited”, “we”, “us” and “our”	Hindprakash Industries Limited, a Company incorporated in India under the Companies Act, 1956 having its registered office at 301, Hindprakash House, Plot No. 10/6, GIDC, Vatva, Ahmedabad-382445, Gujarat, India
“you”, “your” or “yours”	Prospective investors in this Issue

**Company related terms**

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of Hindprakash Industries Limited as amended from time to time.
Auditors/ Statutory Auditors	The Statutory Auditors of Hindprakash Industries Limited being M/s Kedia & Kedia Associates, Chartered Accountants (Firm Registration No.: 104954W) having office at 205, Kaling, 2nd Floor, Near Mount Carmel School, B/h B. J. House, Off Ashram Road, Ahmedabad- 380009, Gujarat, India.
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines. For further details, please refer chapter titled “Our Management” beginning on page 135.
Banker to our Company	IDBI Bank Limited
Board of Directors / the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled “Our Management” beginning on page 135.

Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Mr. Hetal Kishorbhai Shah.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our Company being Mr. Utsav Himanshu Trivedi.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	The Equity Shares of our Company of face value of Rs. 10/- each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Director(s)	An Executive Director of our Company.
Fugitive Economic Offender	Shall mean an individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Group Companies/Group Company	The word “Group Companies”, wherever it occurs, shall include such Companies as (other than promoter(s)) with whom there are related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material and are included in the chapter titled “ <i>Our Group Company</i> ” beginning on page 222.
Independent Director(s)	An Independent Director as defined under Section 2(47) of the Companies Act, 2013 and as defined under the Listing Regulations.
IT Act	The Income Tax Act, 1961 as amended till date
Indian GAAP	Generally Accepted Accounting Principles in India
Key Managerial Personnel/ KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations, 2018. For details, please refer the chapter titled “ <i>Our Management</i> ” beginning on page 135.
MD or Managing Director	The Managing Director of our Company, Mr. Sanjay Prakash Mangal.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on July 04, 2019, in accordance with the requirements of the SEBI (ICDR) Regulations, 2018.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Hindprakash Industries Limited as amended from time to time.
Non-Executive Director	A Director not being an Executive Director.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with section 178 of Companies Act, 2013 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines. For further details, please refer chapter titled “ <i>Our Management</i> ” beginning on page 135.
NRIs / Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act, 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.

Promoters or our Promoters	Shall mean promoters of our Company i.e. Mr. Sanjay Prakash Mangal, Mr. Om Prakash Mangal and Mr. Santosh Narayan Nambiar. For further details, please refer to chapter titled "Our Promoters & Promoter Group" beginning on page 150.
Promoter Group	Includes such Persons and companies constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 as enlisted in the chapter titled "Our Promoters and Promoters Group" beginning on page 150.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	Registered Office of our Company is located at 301, Hindprakash House, Plot No. 10/6, GIDC, Vatva, Ahmedabad-382445, Gujarat, India.
Restated Financial Statements	The restated financial statements of our Company's assets and liabilities for the period ended September 30, 2019 and as at March 31, 2019, 2018 and 2017 and the restated statements of profit and loss and cash flows for the period ended September 30, 2019 and for the financial years ended March 31, 2019, 2018 and 2017 of our Company prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the revised guidance note on reports in Company Prospectuses (Revised) issued by the ICAI, together with the schedules, notes and annexure thereto.
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
RoC/ Registrar of Companies	Registrar of Companies, Ahmedabad
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /SEBI ICDR Regulation/ ICDR Regulations/ Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/SEBI Listing Regulations/Listing Regulations/SEBI (LODR) Regulations	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscribers to MOA	Initial Subscribers to MOA & AOA being Mr. Santosh Narayan Nambiar and Mr. Sachin Modi.
Stakeholder's Relationship Committee	Stakeholder's Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. For further details, please refer to the chapter

	titled “ <i>Our Management</i> ” beginning on page 135.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Venture	A new activity, usually in business, that involves risk or uncertainty.
WTD or Whole-Time Director	It includes a Director in the whole-time employment of our Company and in our case Mr. Santosh Narayan Nambiar.

### **Issue Related Terms**

<b>Terms</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
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.
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 Exchange.
Allottee (s)	Successful Applicants to whom Equity Shares are being/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 Block Amount (ASBA)	The application (whether physical or electronic) used by an ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified bank account maintained with such SCSB including the bank account linked with UPI ID.
ASBA Account	A bank account linked with or without UPI ID, 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 Investor/ ASBA Applicant	Any prospective investor(s)/applicant(s) in this Issue who apply(ies) through the ASBA process in terms of this Prospectus.
Bankers to the Issue/Public Issue Bank/Sponsor Bank/Refund Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account has been opened and in this case being ICICI Bank Limited.
Banker to the Issue Agreement	Agreement dated December 26 <sup>th</sup> , 2019 entered into amongst the Company, LM, the Registrar, Sponsor Bank and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “ <i>Issue Procedure – Basis of Allotment</i> ” beginning on page 247.
Broker Centers	Broker Centers 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 NSE on the following link <a href="http://www.nseindia.com">www.nseindia.com</a>

Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
CAN or Confirmation of Allocation Note	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 maintained with one of the Depositories in relation to demat account
Collecting Depository Participants or CDPs	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 <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation, bank account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
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. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated RTA Locations	Such locations of the RTA where Applicants can submit the Application Forms to RTA. The details of such Designated RTA Locations, along with names and contact details of the RTA eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	On the Designated Date, the amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/ or unblocked in terms of the Prospectus.
Designated Intermediaries/Collecting Agent	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.  In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE) (Emerge Platform)

Draft Prospectus	Draft Prospectus dated September 20, 2019 issued in accordance with the SEBI (ICDR) Regulations, 2018.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constituted an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10/- each
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
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 Share Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
First / Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
FII/ Foreign Institutional Investor	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable law in India.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
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 (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and UPI Circulars.
Issue Agreement	The Agreement dated August 05, 2019 between our Company and Lead Manager.
Issue/Public Issue/Initial Issue/Initial Offer/Initial Offering/ IPO	The Public Issue of 28,80,000 Equity shares of face value of Rs. 10/- each at issue price of Rs. 40 per Equity share including share premium of Rs. 30 per Equity share aggregating to Rs. 1152 Lakhs.
Issue Closing Date	The date on which Issue closes for subscription. In this case being, January 17, 2020.
Issue Opening Date	The date on which Issue opens for subscription. In this case being, January 15, 2020.
Issue Price	The price at which the Equity Shares are being issued by our Company under the Prospectus being Rs. 40 per Equity Share of face value of Rs. 10 each fully paid up.



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 Proceeds	Proceeds from the fresh Issue that will be available to our Company, for further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 81.
Listing Agreement/ Equity Listing Agreement	The Listing Agreement to be signed between our Company and National Stock Exchange of India Limited (NSE).
Market Maker	Member Brokers of NSE who are specifically registered as Market Makers with NSE Emerge Platform. In our case Hem Finlease Private Limited is the Market Maker.
Market Making Agreement	The Market Making Agreement dated December 26, 2019 between our Company, LM and Market Maker.
Market Maker Reservation Portion	The reserved portion of 1,50,000 Equity Shares of face value of Rs. 10 each at an issue price of Rs. 40 each aggregating to Rs. 60 Lakhs subscribed by Market Maker in this issue.
Mobile App(s)	The mobile applications listed in the circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Net Issue (excluding the Market Maker Reservation Portion) of 27,30,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 40 per Equity Share (the “Issue Price”) aggregating to Rs. 1092 Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Issue Proceeds and Issue expenses, please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 81.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
NSE Emerge	The SME platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
Other Investor/bidders/ Other than Retail Individual Investors	Investors other than Retail Individual Investors. 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.
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, as amended from time to time. OCBs are not allowed to invest in this Issue.
Prospectus	The Prospectus filed with RoC containing, inter-alia, the issue opening and closing dates and other information in accordance with Section 26 of the Companies Act, 2013
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank to receive monies from the SCSBs from the bank account of the Bidders, on the Designated Date.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations, 2018.
Registrar/ Registrar to	Registrar to the Issue being Bigshare Services Private Limited.

the Issue/ RTA/ RTI	
Registrar Agreement	The Agreement dated August 05, 2019 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of National Stock Exchange of India having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.nseindia.com">www.nseindia.com</a> .
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).
Registrar and Share Transfers Agent or RTA	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Location in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 Issued by SEBI.
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other websites and updated from time to time; and (ii) in relation to ASBA (through the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.  Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.
SEBI (PFUTP) Regulations/PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriter(s)	Underwriter(s) in this case Hem Securities Limited.
Underwriting Agreement	The Agreement dated December 26, 2019 entered into between the Underwriter and our Company.
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs.
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01,

	2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request / Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of– (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

#### **Technical and Industry Related Terms**

<b>Term</b>	<b>Description</b>
API	Active Pharmaceutical Ingredients
CETP	Common Effluent Treatment Plant
HPHT	High-pressure high-temperature
QC	Quality Control
MT	Metric Tonnes
MTPA	Metric Tonnes per annum
PCPIRs	Petroleum, Chemicals and Petrochemicals Investment Region
Thickener HRT	High Rate Thickener

#### **Abbreviations**

<b>Abbreviations</b>	<b>Full Form</b>
₹ / Rs./ Rupees/ INR	Indian Rupees
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AMT	Amount
AOA	Articles of Association
Approx	Approximately

ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CAIIB	Certified Associate of Indian Institute of Bankers
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
CS	Company Secretary
CS & CO	Company Secretary & Compliance Officer
CSR	Corporate Social Responsibility
CST	Central Sales Tax
Depositories	NSDL & CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortization
ECS	Electronic Clearing System
EGM /EOGM	Extra-Ordinary General Meeting
EMI	Equated Monthly Installment
EPFA	Employee's Provident Funds and Miscellaneous Provisions Act,1952
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan
EXIM/ EXIM Policy	Export – Import Policy

FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017.
F & N G	Father & Natural Guardian
FIPB	Foreign Investment Promotion Board
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India.
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Services Tax
HNI	High Net Worth Individual
HSL	Hem Securities Limited
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offer
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
KMP	Key Managerial Personnel

LLB	Bachelor of Law
LLP	Limited Liability Partnership
LM	Lead Manager
LTD	Limited
M.A	Master of Arts
MAT	Minimum Alternate Tax
MAPIN	Market Participants and Investors Database
M.B.A	Master of Business Administration
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
Mn	Million
MSME	Micro, Small and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NACH	National Automated Clearing House
NCLT	National Company Law Tribunal
Net worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
OEM	Original Equipment Manufacturer
P.A.	Per Annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price/Earnings Ratio
PF	Provident Fund
PG	Post Graduate
PGDBA	Post Graduate Diploma in Business Administration
P.O.	Purchase Order
POA	Power of Attorney
PSU	Public Sector Undertaking(s)

PVT.	Private
Q.C.	Quality Control
RBI	The Reserve Bank of India
Registration Act	Registration Act, 1908
RoC	Registrar of Companies
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified syndicate Banks
SEBI/Board	Securities and Exchange Board of India
Sec.	Section
SICA	Sick Industrial Companies Act (SICA)
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
w.e.f.	With effect from
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, 2018.
-, ()	Represent Outflow

The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies in India”, “Financial Information of our Company”, “Outstanding Litigation and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

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

**Certain Conventions**

All references in this Prospectus to “India” are to the Republic of India. All references in this Prospectus to the “U.S.,” “USA” or “United States” are to the United States of America.

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Hindprakash Industries Limited”, “HIL”, and, unless the context otherwise indicates or implies, refers to Hindprakash Industries Limited. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

**Use of Financial Data**

Unless stated otherwise, throughout this Prospectus, all figures have been expressed in Rupees and Lakhs. Unless stated otherwise, the Financial data in this Prospectus is derived from our financial statements prepared and restated for the period ended September 30, 2019 and for the financial years ended March 2019, 2018 and 2017 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, included under Section titled “*Financial Information of the Company*” beginning on page 156. Our fiscal year commences on April 01 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, the International Financial Reporting Standards (“IFRS”) and the Generally Accepted Accounting Principles in the United States of America (“U.S. GAAP”). Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI ICDR Regulations, as stated in the report of our Auditor, set out in section titled “*Financial Information of the Company*” beginning on page 156.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” beginning on page 1. In the section titled “*Main Provisions of Articles of Association*”, beginning on page 273, defined terms have the meaning given to such terms in the Articles of Association of our Company.



**Use of Industry & Market Data**

Unless stated otherwise, industry and market data and forecast used throughout this Prospectus was obtained from internal Company reports, data, website, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in this Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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 market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled “*Basis for Issue Price*” beginning on page 87 includes information relating to our peer group company. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

**Currency of Financial Presentation**

All references to “₹” or “Rupees” or “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled “Industry Overview” throughout this Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crore.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management's Discussion and Analysis of Financial Conditions and Results of Operation*” beginning on page 25, 108 and 202, respectively unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

This Prospectus contains conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## FORWARD LOOKING STATEMENTS

This Prospectus includes certain “forward-looking statements”. We have included statements in this Prospectus which contain words or phrases such as “will”, “aim”, “is likely to 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, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to:

1. Disruption in our manufacturing operations.
2. Company’s ability to successfully implement our strategy, our growth and expansion, technological changes;
3. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
4. Inability to successfully obtain registrations in a timely manner or at all;
5. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
6. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
7. Our failure to keep pace with rapid changes in the sector in which we operate;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Intensified competition in industries/sector in which we operate;
11. Our ability to attract, retain and manage qualified personnel;
12. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
13. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
14. Conflicts of interest with affiliated companies, the promoter group and other related parties;
15. Any adverse outcome in the legal proceedings in which we are involved;
16. Our ability to expand our geographical area of operation.
17. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the section titled “*Risk Factors*”; “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 25, 108 and 202 respectively. 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, our Officers, LM and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the LM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II: SUMMARY OF PROSPECTUS

### SUMMARY OF BUSINESS

Our Company is engaged in the manufacturing and trading of Dyes, Auxiliaries, Intermediates and Chemicals. We started our manufacturing unit in the year 2008 to produce Disperse Dyes, Reactive Dyes and Textile auxiliaries for catering the needs of domestic textile industry. Our Company has achieved a steady growth in productivity and has expanded its range of products from dyes to auxiliaries to speciality chemicals. We believe that our expertise in chemical manufacturing has enabled us to expeditiously increase our production capacity and expand into new value added products. With our wide range of products, we cater to various industries viz. Dyestuff and Dye intermediates, Textiles, Construction Chemicals, Speciality Chemicals etc.

### SUMMARY OF INDUSTRY

Chemicals industry in India is highly diversified, covering more than 80,000 commercial products. It is broadly classified into Basic chemicals, Specialty chemicals, and Agrochemicals. India's proximity to the Middle East, the world's source of petrochemicals feedstock, makes for economies of scale.

India is a strong global dye supplier, accounting for approximately 16% of the world production of dyestuff and dye intermediates. Chemicals industry in India has been de-licensed except for few hazardous chemicals. Upcoming Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs) and Plastic parks will provide state-of-the-art infrastructure for Chemicals and Petrochemicals sector.

For more details, please refer chapter titled "Industry Overview" beginning on page 96.

### NAME OF PROMOTERS

The Promoters of our Company are Mr. Sanjay Prakash Mangal, Mr. Om Prakash Mangal and Mr. Santosh Narayan Nambiar.

### SIZE OF THE ISSUE

The Issue comprises of an Initial Public Issue of 28,80,000 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. 40 per Equity Share including a share premium of Rs. 30 per Equity Share (the "issue price") aggregating to Rs. 1152 Lakhs ("the issue") of which 1,50,000 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. 40 per Equity Share including a share premium of Rs. 30 per Equity Share aggregating to Rs. 60 Lakhs will be reserved for subscription by Market Maker to the issue (the "Market Maker Reservation Portion"). The issue less the Market Maker Reservation portion i.e. 27,30,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 40 per Equity Share including a share premium of Rs. 30 per Equity Share aggregating to Rs. 1092 Lakhs is herein after referred to as the "Net Issue". The Issue and the Net Issue will constitute 27.63 % and 26.19 % respectively of the Post Issue Paid-up Equity Share Capital of our company.

### OBJECTS OF THE ISSUE

The Issue Proceeds are proposed to be used in accordance with the details as set forth below:

Sr. No.	Particulars	Amount (Rs. in Lakhs)
1.	To meet working capital requirement	822.23
2.	General Corporate Purposes	270.00
3.	To meet the Issue Expenses	59.77
	<b>Total</b>	<b>1152.00</b>

**PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP**

The aggregate pre-issue shareholding of the promoters and promoter group as a percentage of the Paid-up Capital of our Company is as below:

Name	Pre Issue	
	No. of Equity Shares	% of Pre Issue paid up Equity Shares
<b>Promoters</b>		
Sanjay Prakash Mangal	10,85,155	14.38
Om Prakash Mangal	14,70,000	19.49
Santosh Narayan Nambiar	8,750	0.12
<b>Total (A)</b>	<b>25,63,905</b>	<b>33.99</b>
<b>Promoter Group</b>		
Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	14,70,000	19.49
Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	13,04,555	17.29
Radhika Mangal	10,24,435	13.58
Dimple Mangal	7,70,000	10.21
Om Prakash Mangal Karta of HUF Omprakash Sanjayprakash HUF	2,10,000	2.78
Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	1,05,000	1.39
Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	96,110	1.27
<b>Total (B)</b>	<b>49,80,100</b>	<b>66.01</b>
<b>Grand Total (A+B)</b>	<b>75,44,005</b>	<b>100.00</b>

**SUMMARY OF FINANCIAL INFORMATION**

Following are details as per the restated financial statements for past 3 years and stub period in tabular format:

(Rs. in Lakhs except EPS and NAV per Share)

Sr. No.	Particulars	For the period ended on September 30, 2019	Financial Year Ended		
			2019	2018	2017
1.	Paid up Share Capital	754.41	754.41	215.55	215.55
2.	Net worth	2,123.82	1,950.56	1,668.44	1,437.83
3.	Total Revenue	5,063.80	9,799.48	8,747.58	8,611.78
4.	Profit After Tax	177.81	283.42	231.91	214.26
5.	Earnings Per Share – Basic & Diluted (in Rs.)	2.36	3.76	3.07	2.84
6.	NAV per Equity Shares (in Rs.)	28.15	25.86	22.12	19.06
7.	Total Borrowings (As per Restated Balance Sheet)	1,314.46	1,524.90	1,140.62	1,084.74

## AUDITORS QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditors.

## SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding litigation proceedings involving our Company and our Group Company as on the date of this Prospectus is provided below:

(Rs. in Lakhs)

Sr. No.	Nature of Proceedings	Number of outstanding cases	Amount involved
<i>Cases filed by our Company</i>			
1	Litigation Involving Actions by Statutory/Regulatory Authorities	1	25.18
<i>Cases filed by our Group Company</i>			
1	Litigation Involving Actions by Statutory/Regulatory Authorities	1	77.38

For further details of the outstanding litigation proceedings, please refer chapter titled "Outstanding Litigation and Material Developments" beginning on page 212.

## RISK FACTORS

For details relating to risk factors, please refer section titled "Risk Factors" beginning on page 25.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

There are no Contingent Liabilities of our Company for the period ended on September 30, 2019 and for the financial year ended on March 31, 2019.

For detailed information on the Contingent Liabilities on our Company, please refer "Annexure – XXXIII" appearing under chapter titled "Restated Financial Information" beginning on page 156.

## SUMMARY OF RELATED PARTY TRANSACTIONS

**List of related Parties and Relationship** (As identified by the company)

Nature of Relationship	Name of Related Party
Holding Company	Nil
Fellow Subsidiaries	Nil
Associate Companies	Nil
Joint Ventures	Nil
Key Management Personnel	
Chairman	Mr. Om Prakash Mangal (wef 18/11/2019)
Managing Director	Mr. Sanjay Prakash Mangal
Whole Time Director	Mr. Santosh Narayan Nambiar
Director	Mr. Vipin Prakash Mangal(wef 28/09/2018 upto 18/11/2019)
Enterprise over which Key Management Personnel exercise	Hindprakash Overseas Pvt Ltd

significant influence	Hindprakash Tradelink Pvt Ltd
	Shanker Global Pvt Ltd
	Hindprakash Corporation Pvt Ltd
	Laxmi Alutrade Pvt Ltd/ Hindprakash Global Pvt Ltd
	Zaddoc Nutrition Pvt Ltd
	Spectrum Tubes Pvt Ltd
	Specific Worldwide Pvt Ltd
Relative of the Key Management Personnel	Omprakash Mangal, Dimple S Mangal Priyata S Mangal, Radhika S Mangal Veedant S Mangal, OPSP Mangal HUF Omprakash Sanjayprakash HUF, Sanjayprakash HUF

**Material Transaction with Related Parties**
*(Amount Rs. in Lakhs)*

Particulars	For the Year	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount
Interest Paid	2016 - 17	-	-	-
	2017 - 18	-	-	-
	2018 - 19	-	2.58	2.58
	1-4-19 to 30-9-19	-	-	-
Lease Rent Paid	2016 - 17	1.65	-	1.65
	2017 - 18	1.80	-	1.80
	2018 - 19	2.34	-	2.34
	1-4-19 to 30-9-19	1.20	-	1.20
Warehouse Charges Paid	2016 - 17	-	-	-
	2017 - 18	0.60	-	0.60
	2018 - 19	0.85	-	0.85
	1-4-19 to 30-9-19	0.42	-	0.42
Royalty Paid	2016 - 17	-	-	-
	2017 - 18	-	-	-
	2018 - 19	-	-	-
	1-4-19 to 30-9-19	-	1.00	1.00
Dividend Paid	2016 - 17	0.00	2.16	2.16
	2017 - 18	0.00	1.08	1.08
	2018 - 19	-	1.08	1.08
	1-4-19 to 30-9-19	-	-	-
Salary	2016 - 17	-	49.20	49.20

	2017 - 18	-	42.23	42.23
	2018 - 19	-	40.72	40.72
	1-4-19 to 30-9-19	-	25.73	25.73
Closing Balance of Guarantee Given by related party to the Company's Bank	2016 - 17	-	1,500.00	1,500.00
	2017 - 18	-	1,500.00	1,500.00
	2018 - 19	-	1,500.00	1,500.00
	1-4-19 to 30-9-19	-	1,500.00	1,500.00
Closing Balance of Loan Taken	2016 - 17	-	-	-
	2017 - 18	-	-	-
	2018 - 19	-	150.00	150.00
	1-4-19 to 30-9-19	-	70.00	70.00

**Material Transactions**

Particulars	For the Year	Salary	Loan Taken	Warehouse Charges Paid	Dividend Paid	Interest Paid	Royalty Paid	Lease Rent Paid
Sanjay Prakash Mangal	2016 - 17	32.98	-	-	0.42	-	-	-
	2017 - 18	26.00	-	-	0.21	-	-	-
	2018 - 19	15.25	150.00	-	0.21	2.58	-	-
	1-4-19 to 30-9-19	9.06	70.00	-	-	-	1.00	-
Hindprakash Tradelink Pvt Ltd	2016 - 17	-	-	-	-	-	-	1.65
	2017 - 18	-	-	0.60	-	-	-	1.80
	2018 - 19	-	-	0.85	-	-	-	2.34
	1-4-19 to 30-9-19	-	-	0.42	-	-	-	1.20
Veedant S Mangal	2016 - 17	-	-	-	0.42	-	-	-
	2017 - 18	-	-	-	0.21	-	-	-
	2018 - 19	-	-	-	0.21	-	-	-
	1-4-19 to 30-9-19	-	-	-	-	-	-	-
Dimple S Mangal	2016 - 17	16.22	-	-	0.42	-	-	-
	2017 - 18	16.23	-	-	0.21	-	-	-
	2018 - 19	17.68	-	-	0.21	-	-	-
	1-4-19 to 30-9-19	9.48	-	-	-	-	-	-



Omprakash T Mangal	2016 - 17	-	-	-	0.42	-	-	-
	2017 - 18	-	-	-	0.21	-	-	-
	2018 - 19	-	-	-	0.21	-	-	-
	1-4-19 to 30-9-19	-	-	-	-	-	-	-
Santosh Nambiar	2016 - 17	-	-	-	-	-	-	-
	2017 - 18	-	-	-	-	-	-	-
	2018 - 19	6.27	-	-	-	-	-	-
	1-4-19 to 30-9-19	3.19	-	-	-	-	-	-
Vipin Prakash Mangal	2016 - 17	-	-	-	-	-	-	-
	2017 - 18	-	-	-	-	-	-	-
	2018 - 19	1.52	-	-	-	-	-	-
	1-4-19 to 30-9-19	4.00	-	-	-	-	-	-

**B: Gurantees Given by Sanjay Prakash Mangal and Santosh N Nambiar to the Company's Bank**

(INR in Lakhs)

Period	Closing Balance
2016 – 17	1,500.00
2017 – 18	1,500.00
2018 – 19	1,500.00
1-4-19 to 30-9-19	1,500.00

For detailed information on the related party transactions executed by our Company, please refer “Annexure – XXXVII” appearing under chapter titled “Restated Financial Information” beginning on page 156.

**FINANCING ARRANGEMENTS**

There have been no financing arrangements whereby our promoters, members of our promoter group, our directors and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Prospectus.

**WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN THE ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS\***

Weighted average price at which the Equity Shares were acquired by our Promoters in Last one year:

Sr. No.	Name of Promoters	Total No. of Equity Shares acquired during the last one year	Weighted Average cost of Acquisition** (in Rs. per equity share)
1.	Sanjay Prakash Mangal	10,75,025	Nil
2.	Om Prakash Mangal	10,50,000	Nil
3.	Santosh Narayan Nambiar	6,250	Nil

\*As certified by our Statutory Auditor vide their certificate dated August 14, 2019.

\*\*The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking

into account the amount paid by the Promoters to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year.

**AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS\***

Sr. No.	Name of Promoters	Total No. of Equity Shares	Average Cost of Acquisition per equity share (in Rs.)**
1.	Sanjay Prakash Mangal	10,85,155	5.05
2.	Om Prakash Mangal	14,70,000	9.49
3.	Santosh Narayan Nambiar	8,750	22.00

\*As certified by our Statutory Auditor vide their certificate dated August 14, 2019.

\*\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.

**DETAILS OF PRE-ISSUE PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus till the listing of the Equity Shares.

**ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

We have not issued Equity Shares for consideration other than cash in the preceding one year.

**SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

**SECTION II: RISK FACTORS**

*An investment in our Equity Shares involves a high degree of financial risk. Prospective investors should carefully consider all the information in the Prospectus, particularly the “Financial Information of our Company” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 156,108 and 202 respectively and the risks and uncertainties described below, before making a decision to invest 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. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

**Materiality**

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

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

**Note:**

*The risk factors as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.*

*In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 25 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 202 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Audited Financial Statements, as restated" prepared in accordance with the Indian GAAP.*

**INTERNAL RISK FACTORS**

- 1. We operate in a heavily regulated sector and our operations are subject to environmental, health and safety regulations that could expose us to liability, increase our cost of operations or otherwise have a material adverse effect on our results of operations and could also result in enhanced compliance obligations.***

We are engaged in the business of manufacturing dyestuff, dye intermediates and basic chemicals that involves hazardous, volatile and often highly flammable materials. Significant risks are associated with manufacturing of these products, which subject us to various laws and regulations, including in relation to safety, health and environmental protection. These regulations govern discharge of pollutants into air and water, noise levels, storage, handling and disposal of waste materials, employee exposure to hazardous substances and other aspects of our manufacturing operations which may also cause industrial accidents, fire, damage to our and third-party property and/or, environmental damage. Under these laws and regulations, we are required to control the use of as well as restrict the discharge or disposal of hazardous or environmentally objectionable products of our production process. While our Company believes that it has necessary controls and processes in place, if we breach or fail to comply with these laws and regulations, penalties or fines may be imposed on us, and our directors and officers responsible for such breach or non-compliance and may also be subjected to imprisonment.

Further, our manufacturing licenses may be suspended, withdrawn or terminated in the event of such breach or non-compliance thereby disrupting our operations. In the event that these penalties or fines be significant or should any of our manufacturing licenses be suspended, withdrawn or terminated, our business operation and financial performance will be adversely affected and such event would in addition to adversely affecting our reputation also temporarily reduce our manufacturing capacity which could adversely affect our business, results of operations and reputation. Also, any environmental damages could increase the regulatory scrutiny and result in enhanced compliance requirements including on use of materials and effluent treatment which would, amongst others, increase the cost of our operations.

For further details, please refer to chapters titled “Our Business” and “Government and Other Approvals” beginning on pages 108 and 217 respectively.

- 2. We have not entered into long-term contracts with our major customers and typically operate on the basis of purchase orders, which could adversely impact our revenues and profitability.***

We generate sales generally by our continuing relationships with our customers as we do not enter in any long-term contract with our customers. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Although 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 years to come and may affect our revenues and profitability.

- 3. Majority of our revenue is dependent on single business segment i.e. manufacturing of Dyes. Any adverse impact on sales of a particular product would adversely affect our operations and profitability.***

Majority of our revenue is dependent on single business segment i.e. *manufacturing of Dyes* which comprises of 83.20 % of our revenue from operations for the period ended on September 30, 2019 and 73.98% of our revenue from operations for the F.Y. ended March 31, 2019 as per restated financial information. Our continued reliance on single business segment for a significant portion of our revenue exposes us to risks, including but not limited to, reduction in the demand in the future; increased competition from domestic and international manufacturers; the invention of superior and cost- effective technology; fluctuations in the price and availability of the raw

materials; changes in regulations and import duties; and the cyclical nature of our customers' businesses. Any occurrences of such event could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

For further details, please refer to the chapter titled "Financial Information of our Company" beginning on page 156.

***4. We are dependent on our top ten suppliers for the supply of raw material.***

For the period ended on September 30, 2019 and for the financial year ended March 31, 2019, our top ten suppliers constitute approximately 63.13% and 68.21 % respectively of our cost of materials purchased. We depend on our top ten suppliers for the supply of our raw materials. For further details refer to section titled "Our business" beginning on page 108. Our business is significantly affected by the availability, cost and quality of materials and bought out items, which we need to procure and provide for our products. The prices and supply of raw material depend on factors not under our control, including domestic and international general economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import duties. Further, we depend on various suppliers who cater to a significant part of our business needs. If any of our key suppliers for a particular project is unable to continue providing the material we need at prices and on terms and conditions we consider acceptable, we will be required to obtain these items from other suppliers and our results of operations and business could suffer as a result.

For further details, please refer to the chapter titled "Our Business" and "Financial Information of our Company" beginning on pages 108 and 156 respectively.

***5. Our business is substantially dependent on our key clients from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.***

We derive a significant portion of our revenues from a limited number of clients. For the period ended on September 30, 2019 and for the financial year ended March 31, 2019 our top ten customers accounted for approximately 43.96% and 49.79% respectively of our total revenue/revenue from operations as per restated financial statements. In the event any one or more customers cease to continue doing business with us, our business may be adversely affected. The loss of such clients may be caused mainly because of competition. There may be factors other than our performance, which may not be predictable, which could cause loss of clients. Further, any significant reduction in demand for our products from our key clients, any requirement to lower the price offered by these clients, or any loss or financial difficulties caused to these clients, or bad debts of the dues from these clients, or change in relationship with the clients could have a material adverse effect on our business, result of operations, financial conditions and cash flow.

We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we strive to add new customers in the normal course of business. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

For further details, please refer to the chapter titled "Our Business" and "Financial Information of our Company" beginning on pages 108 and 156 respectively.

***6. Introduction of alternative technology in manufacturing by our competitors may reduce demand for our existing products and may adversely affect our profitability and business prospects.***

Our competitors may decide to seek alternative technology coupled with the development of more alternatives, which may adversely affect our business and profitability if we are not able to respond to these changes. Our ability to anticipate changes in technology, to develop & introduce new and enhanced products successfully on a timely basis will be a significant factor in our ability to grow and remain competitive. We cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance and delays in product development. Any failure on our part to forecast and / or meet the changing demands will have an adverse effect on our business, profitability and growth prospects.

**7. *Our Company in the past has not complied with certain statutory provisions under the Companies Act. Such Non-Compliances may attract penalties. Illustrative list of non - compliances is as under:***

- There have been instances of discrepancies/non-compliance by our Company in relation to certain filings and disclosures made to the RoC such as incorrect/ incomplete attachments to the forms, clerical errors such as dates and number of Board meetings in the Annual Return, signing of documents, etc.
- Our Company has failed to comply with the provisions of Section 205 of the erstwhile Companies Act, 1956 and Section 123 of the Companies Act, 2013 i.e. Declaration of Dividend w.r.t opening of separate Bank Account, Depositing the said amount within 5 days in Separate Account etc. However, Company has transferred Dividend in separate current account used for the purpose payment of dividend only and from that account payment of dividend to the shareholders have been made within 30 days' time.
- Our Company has failed to file E-form CHG-1 under Section 77 for creation of Charge on the secured loan availed from HDFC Bank in the financial year 2015-16. Secured loan availed by the company was for purchase of vehicle and the same has been repaid by the company and there was no outstanding amount as on 31st March 2019.
- There are clerical errors in the Transfer Deed available with Company such as name of the Proprietorship firm in place of Individual.

While, we have not received any show cause notice from the concerned authorities for the same, we cannot assure you that no penalty will be imposed on the Company for the said lapse in future.

**8. *There are legal cases in which the parties have similar names with the Promoters and Directors of our Company, which are not associated with them.***

There are legal cases in which the parties have similar names with the Promoters and Directors of our Company. Company has received confirmation from them that they are not associated with those cases through an undertaking. Due to lack of information in public domain, the authenticity of the undertaking could not be verified. Therefore, any litigation may arise against them at a future date which could attract penalties and may divert their attention towards the litigation.

**9. *There are certain outstanding legal proceedings involving our Company and 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 outstanding legal proceedings involving our Company and Group Company. These proceedings are pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management's time and attention and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business,

financial condition and results of operations. A summary of the outstanding proceedings against our Company and Group Company as disclosed in this Prospectus, to the extent quantifiable, have been set out below:

(Rs. in Lakhs)

Sr. No.	Nature of Proceedings	Number of outstanding cases	Amount involved
<b>Cases filed by our Company</b>			
1	Litigation Involving Actions by Statutory/Regulatory Authorities	1	25.18
<b>Cases filed by our Group Company</b>			
1	Litigation Involving Actions by Statutory/Regulatory Authorities	1	77.38

Decisions in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details of statutory or legal proceedings involving our Company and Group Company, please refer to the chapter titled “Outstanding Litigation and Material Developments” beginning on page 212.

**10. We are heavily dependent on machinery for our operations. Any break-down of our machinery will have a significant impact on our business, financial results and growth prospects.**

Our manufacturing facility is heavily dependent on plant and machinery. Any significant malfunction or breakdown of our machinery may entail significant repair & maintenance costs and cause delays in our operations. Further, while we believe that we maintain necessary supplies of spare parts and maintenance related equipment, if we are unable to procure the necessary spare parts in a timely manner or if we are unable to carry out the necessary repair of the malfunctioning machinery promptly, our manufacturing operations may be hampered which could have an adverse impact on our results of operations and financial condition. Further, we do not purchase insurance against the break-down of our machinery and any such cost will be to our account and may have an adverse impact on our financial condition and result of operations.

**11. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business may have an adverse effect on our business & operations.**

Pursuant to change in name of our Company from “Hindprakash Lonsen Industries Private Limited” to “Hindprakash Industries Private Limited” and then subsequent conversion of our company into Public Limited Company on November 29, 2018, we need to apply for change in name in all our registrations and statutory approvals which are in previous name of our Company. Further, validity of authorization for the management and handling of Hazardous waste under Hazardous and Other Wastes (Management, Handling and Transboundary Movement) Rules, 2016 for the unit situated at Plot No. 114, Phase II, GIDC – Vatva, Dist – Ahmedabad – 382445 has been expired. However, our Company has made an application to the Gujarat Pollution Control Board on November 20, 2019 for the issuance of the same. Any delay or failure to renew and change could have an adverse effect on our business and results of operations.

For further details, please refer to chapter titled “Government and Other Approvals” beginning on page 217.

**12. Any fluctuations in prices of raw materials or shortage in supply of raw material for manufacturing our products, could adversely impact our business.**

Our Company is dependent mainly on the various raw materials required for the manufacturing of our products. Thus, we are exposed to risk of upward fluctuations in the prices of various raw materials and their availability. Also, we have not entered into any supply agreements with our suppliers and all raw materials are bought by our

Company from various suppliers on order to order basis. Any upward fluctuation in the prices of the major raw materials or shortage in supply of any major raw material would result in increase of cost of production which may adversely impact the business and profitability of the Company. In case we are not able to pass on any such increase to the consumers because of competition or otherwise, it may affect the profitability of the Company.

**13. *Our Company has unsecured loans, which are repayable on demand.***

Our Company have availed unsecured loans which may be called by their lenders at any time. For the period ended on September 30, 2019 and as on March 31, 2019 the unsecured loan amounting Rs. 82.50 Lakhs and Rs. 162.50 Lakhs respectively, were due to lenders. 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. Also there is no formal agreement with any of our lenders. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer to the chapter titled “*Financial Information of our Company*” beginning on page 156.

**14. *We are in business related to chemicals which faces excessive government regulations.***

Dye chemical business involves use of numerous toxic acids and its related chemical components. Usage of such intermediates is hazardous to the environment as a whole. This leads to excessive government focus and regulations to be followed in such business model. With increased compliances and regulations, Company faces challenges on many aspects such as control on use of materials, discharge of effluent treatment which may affect the business directly. Any such noncompliances may lead to imposition of penalties, fines or imprisonment. Further, operations of the Company may be suspended; manufacturing licenses may be suspended, withdrawn or terminated.

**15. *Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.***

Our business involves many risks and hazards which may affect our profitability, including breakdowns, failure or substandard performance of equipment, third party liability claims, labour disturbances and infrastructure failure. Our Company has obtained insurance coverage in respect of certain risks which consists of Standard Fire & Special Perils and Burglary Insurance. If any uncertainty arises including losses arising on account of third party claims or if claim made by us in respect of an insurance, is not accepted or any loss occurred by us is in excess of the insurance coverage, the same may adversely affect our operation, results and financials. If our arrangements for insurance or indemnification are not adequate to cover claims, we may be required to make substantial payments and our results of operations and financial condition may be affected. Further, we do not purchase insurance against the break-down of our machinery and any such cost will be to our account and may have an adverse impact on our financial condition and result of operations.

For details on insurance policies taken by our Company please refer to chapter titled “*Our Business*” beginning on page 108.

**16. *We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.***

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. We are also in direct competition with the leading chemical units in India as well as the local units. Our Competitiveness is also measured by the technology we adopt as the chemical industry is rapidly growing in India and in International Markets. Some of our clients might export their final products



which in turn compel us to meet international standards also. Our inability to compete with this intense competition; local, national and international will have material adverse impact on our Company's financial position.

***17. Our business depends on our manufacturing facility and the loss of or shutdown of operations of the manufacturing facility on any grounds could adversely affect our business or results of operations.***

Our manufacturing facility is subject to operating risks, such as breakdown or failure of equipment, interruption in power supply or processes, shortage of raw materials, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, strikes, lockouts, severe weather, industrial accidents, our inability to respond to technological advances, emerging industry standards & practices in the industry and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results, and the loss or shutdown of operations at our manufacturing facility will have a material adverse affect on our business, financial condition and results of operations.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, the order could be rejected or sometimes we need to do some modification as per requirement of the customers. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any such adverse event in the future could materially harm our cash flow position and income.

***19. Our Promoter Group/Group Company is engaged in the line of business similar to our Company. There are no non-compete agreements between our Company and such Promoter Group Entity. We cannot assure that our Promoter will not favour the interests of such entity over our interest or that the said entity will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our Promoter Group/Group Company is in the business of trading of Intermediates and Dyes, which can be considered as similar line of business as of our Company to a limited extent. We have not entered into any non-compete agreement with the said entity. We cannot assure that our Promoter who has common interest in the said entity will not favour the interest of the said entity. As a result, conflicts of interests can arise on account of common suppliers/customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other entity/entities in which our Promoters have interests. There can be no assurance that our Promoters or our Promoter Group entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to chapter titled "Our Group Company" beginning on page 222.

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees 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.

**21. We do not own our Registered office from which we carry out our business activities. Any dispute in relation to use of the premises would have a material adverse effect on our business and results of operations.**

We do not own our Registered office from which we operate. The said office is taken on lease from our Group Company Hindprakash Tradelink Private Limited vide Lease and License Agreement dated December 01, 2018 at a rent of Rs. 16,500/- p.m. for 60 months. As per the lease agreements, any breach of the terms / non-renewal of the license agreement may require us to vacate the said premises which may cause disruption in our corporate affairs and business and impede our effective operations and thus adversely affect our profitability. For further details regarding the premises, please refer to chapter “Our Business” beginning on page 108.

**22. Our Company undertakes work on order basis which exposes us to loss in case of Rejection of finished Material.**

We are engaged in manufacturing activities on the basis of orders received from our customers. The material we process and supply undergo under stringent quality checks. We have in the past faced rejection of material on several occasions which exposes us to risk of additional losses. We may not be able to deliver the requisite quality of goods and may face rejections in future as well, which in turn would affect our revenue, financials and cash flows of the Company.

**23. Any infringement of our registered corporate logo  or failure to protect it may adversely affect our business.**

Our corporate logo is  registered under the Trade Marks Act, 1999 under Trademark

No. 3001199 dated July 03, 2015. As on the date of this prospectus the Trade Mark is registered in the name of our Promoter, Mr. Sanjay Prakash Mangal. Further, the Company has entered into a deed of assignment dated September 01, 2019 to use the trademark for a period of 60 months from the date of the Agreement with the Owner. Given the nature of our business, we cannot assure you that our corporate logo will not be infringed by our competitors and third parties, which may expose us to expensive legal proceedings and the same can have an adverse effect on our business, results of operations and financial condition. The infringement of our registered trademark might also lead to our Company losing business to such competitors and might adversely affect our goodwill. For further details please refer to section titled “Government and Other Approvals” beginning on page 217.

**24. Our net cash flows from operating activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

Our cash flow from our operating activities have been negative in the past. The details of our cash flow position during the last three financial years based on restated financial statements are:-

Particulars	For the period ended on September 30, 2019	For the financial year ended (Amount in Rs. Lakhs)		
		31.03.2019	31.03.2018	31.03.2017
Net cash flow from/ (used in) Operating activities	411.17	(58.80)	67.12	(43.40)

For details, please see the chapter titled “*Financial Information of our Company*” beginning on page 156. Any negative cash flows in the future could adversely affect our results of operations and consequently our revenues, profitability and growth plans.

- 25. *We are dependent on third party transportation providers for the delivery of raw materials and products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We use third party transportation providers for the supply of most of our raw materials and for delivery of our products to our customers. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. Non-availability of ships, barges, trucks and railway cars could also adversely affect our receipt of raw materials and the delivery of our products. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, India’s physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

- 26. *Our Promoters, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Promoters, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced and personal guarantee provided by them for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into our Company and our Promoter Group. For further information, please refer to the chapters/section titled “*Our Business*”, “*Our Promoters and Promoter Group*” and “*Annexure XXXVII - Related Party Transactions under Financial Information of our Company*”, beginning on pages 108,150 and 156 respectively.

- 27. *We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.***

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Promoters and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “*Our Management*” beginning on page 135.

- 28. *We have substantial working capital requirements and may require additional financing to meet working capital requirements in the future. A failure or delay in obtaining such additional financing at all or on terms favorable to us could have an adverse effect on our results of operations and financial condition.***

Our business requires significant amount of working capital and major portion of our working capital is utilized towards inventories and trade receivables. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

Further, we have high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. We may be subject to working capital risks due to delays or defaults in payment by clients from India/abroad, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated, to our customers may in turn cause delay in payment or refusal of payment by the customers. We typically extend credit terms to our large institutional and other customers. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations.

For further details regarding working capital requirement, please refer to the section “*Objects of the Issue*” beginning on page 81.

**29. *Reliance has been placed on signed CV furnished by our Directors and KMPs of our Company for details of their profiles included in this Prospectus.***

For profiles of our Directors and KMPs, reliance has been placed on signed CV furnished. We have not been able to independently verify these details, therefore, we cannot assure you that all information relating to the work experience and education qualification included in the sections "Our Promoters, Promoter Group" and "Our Management" beginning on pages 150 and 135 respectively, as may be applicable, are complete, true and accurate.

**30. *The average cost of acquisition of Equity Shares by our Promoters, is lower than the face value of Equity Share.***

The average cost of acquisition of Equity Shares by our Promoters, namely Mr. Sanjay Prakash Mangal and Mr. Om Prakash Mangal is lower than the face value of Equity Shares i.e. Rs. 10/-. For further details regarding the average cost of acquisition of Equity Shares by our Promoters in our Company and buildup of Equity Shares of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*” beginning on page 57.

**31. *Excessive dependence on IDBI Bank Limited for obtaining financial facilities and we are subject to the restrictive covenants of bank in respect of the Loans/ Credit Limits and other banking facilities availed from them.***

Most of our fund based and non-fund based financial assistance has been sanctioned by IDBI Bank Limited. We have been sanctioned the financial assistance on the security of assets and personal guarantee of our Directors. Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, undertake any guarantee obligation etc. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

For further details on the Cash Credit Limits and other banking facilities, please refer to the chapter titled “*Financial Information of our Company*” beginning on page 156.

**32. *Our Company in the past has entered into Related Party Transactions and may continue to do so in future also, which may affect our competitive edge and better bargaining power if entered with non-related parties***

*resulting into relatively more favourable terms and conditions and better margins.*

Our Company has entered into various transactions with our Directors, Promoters, Promoter Group and Group Company significantly influenced by the Directors of our Company. These transactions, inter-alia include issue of shares, rent payments, dividend payment, interest, loans and advances, etc. Our Company has entered into such transactions due to easy proximity and quick execution. However, there is no assurance that we could not have obtained better and more favourable terms than from transaction with related parties. Additionally, while it is our belief that all our related party transactions have been conducted on an arm's length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. Our Company may enter into such transactions in future also and we cannot assure that in such events there would be no adverse affect on results of our operations, although going forward, all related party transactions that we may enter will be subject to board or shareholder approval, as under the Companies Act, 2013 and the Listing Regulations. For details of transactions, please refer to "Annexure XXXVII" on "Related Party Transactions" of the Chapter titled "Financial Information of our Company" and Chapter titled "Capital Structure" beginning on pages 156 and 57 respectively.

**33. *Our Company may be subject to risk resulting from foreign exchange rate fluctuations, which could adversely affect our results of operations.***

We have exported our products to different countries till now viz. Korea, Egypt, Vietnam etc. and there is appropriate hedging in our foreign transactions; however any unfavorable change in currency exchange rates can influence our Company's results of operations. In addition, depreciation of the Indian Rupee against the other foreign currencies may adversely affect our results of operations by increasing the cost of financing. Thus, any adverse fluctuations in the value of the Indian Rupee against the relevant foreign currencies could affect our result of operation and financials.

**34. *We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule.***

The proposed fund requirement for our expansion plan, as detailed in the section titled "**Objects of the Issue**" is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the chapter titled "**Objects of the Issue**" beginning on page 81.

**35. *Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our promoters along with the promoter group will continue to hold collectively 72.37% of the post issue paid-up share capital of our Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**36. *Failure to effectively manage staff/ labours or failure to ensure availability of sufficient staff/ labours could affect the business operations of our Company.***

Our business activities are dependent on availability of skilled and unskilled staff / labours. Non-availability of staff / labours 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. Though we have not faced any staff /labours problem in the past we cannot assure 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.

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

Our Directors have provided guarantees to secure a significant portion of our existing borrowings taken from and in case of our Company and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Directors may be invoked which could negatively impact the reputation and net worth of our Directors. 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, please refer to the chapter titled “Financial Information of our Company” beginning on page 156.

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

The Issue Price of the Equity Shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “Basis for Issue Price” beginning on page 87. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. 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 factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our Dividend history refer to the chapter “Dividend Policy” beginning on page 155.

- 40. *There is no monitoring agency appointed by our Company to monitor the utilization of the Issue proceeds.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above Rs.10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

***41. 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 IPO 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 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 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.

***42. Certain data mentioned in this Prospectus has not been independently verified.***

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

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

Under current Indian tax laws and regulations, capital gains arising from the sale of Equity Shares in an Indian Company are generally taxable in India. Any gain realized on the sale of listed Equity Shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 10% of such capital gain exceeding Rs. 1 lakh if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Any gain realised on the sale of Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. However, 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. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. For more details, please refer to chapter titled "*Financial Information of our Company*" beginning on page 156.

**44. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Hem Finlease Private Limited is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Maker, please refer to the section titled —*General Information – Details of the Market Making Arrangement* for this Issue beginning on page 48.

**EXTERNAL RISK FACTORS**

**45. *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 centre 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.

***46. 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.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter “Government and Other Approvals” beginning on page 217 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

***48. 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.

**49. *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.

**50. *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 nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the 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.

**51. *If certain labour laws become applicable to us, our profitability may be adversely affected.***

India has stringent labour legislations that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Any change or modification in the existing labour laws may affect our flexibility in formulating labour related policies.

**52. *Our performance is linked to the stability of policies and the political situation in India.***

The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The current Government has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However there can be no assurance that such policies will be continued and a significant change in the government's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

Any political instability in India may adversely affect the Indian securities markets in general, which could also adversely affect the trading price of our Equity Shares. Any political instability could delay the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares. There can be no assurance to the investors that these liberalization policies will continue under the newly elected government. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the industrial equipment manufacturing sectors, foreign investment, currency exchange rates and other matters affecting investment in

our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

## SECTION IV: INTRODUCTION

## THE ISSUE

The following table summarizes the Issue details:

<b>Present Issue in terms of this Prospectus</b>	
<b>Equity Shares Issued</b> Public Issue of Equity Shares by our Company <sup>(1)(2)</sup>	28,80,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share aggregating to Rs. 1152 Lakhs
<i>of which</i>	
Issue Reserved for the Market Maker	1,50,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share aggregating to Rs. 60 Lakhs.
Net Issue to the Public <sup>(3)</sup>	27,30,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share aggregating to Rs. 1092 Lakhs.
	<i>of which</i>
	13,65,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share (including a premium of Rs. 30 per share) shall be available for allocation for allotment to Retail Individual Investors of up to Rs. 2.00 Lakhs
	13,65,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share (including a premium of Rs. 30 per share) shall be available for allocation for Investors other than Retail Individual Investors.
<b>Pre and Post – Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	75,44,110 Equity Shares of face value of Rs. 10 each
Equity Shares outstanding after the Issue	1,04,24,110 Equity Shares of face value of Rs. 10 each
Use of Net Proceeds by our Company	For details, please see the chapter titled " <i>Objects of the Issue</i> " beginning on page 81.

- (1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, please refer to section titled "Issue Information" beginning on page 238.
- (2) The Issue has been authorized pursuant to a resolution of our Board of Directors dated July 04, 2019 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of our members held on July 29, 2019.
- (3) As per Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 as amended, the allocation in the net issue category shall be as follows:
- a) minimum fifty per cent 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;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

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

For further details regarding the Issue Structure and Issue Procedure, kindly refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 244 and 247 respectively.

## SUMMARY OF OUR FINANCIALS

## ANNEXURE-I

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount Rs. in Lakhs)

Particulars	Annexures	As at			
		30/09/19	31/03/19	31/03/18	31/03/17
<b>I. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' funds</b>					
(a) Share Capital	V	754.41	754.41	215.55	215.55
(b) Reserves and Surplus	VI	1369.41	1,196.15	1,452.90	1,222.28
<b>2 Share Application Money Pending Allotment</b>		-	-	-	-
<b>3 Non Current Liabilities</b>					
(a) Long-term Borrowings	VII	-	-	-	2.48
(b) Deferred Tax Liabilities (Net)	VIII	6.85	8.39	10.21	8.51
(c) Other Long Term Liabilities	IX	514.13	514.13	-	-
(d) Long-term Provisions	X	30.31	26.38	19.12	22.24
<b>4 Current Liabilities</b>					
(a) Short-term Borrowings	XI	1314.46	1,524.90	1,140.62	1,082.26
(b) Trade Payables	XII	760.54	770.54	246.29	827.46
(c) Other Current Liabilities	XIII	7.19	9.92	8.22	51.21
(d) Short-term Provisions	XIV	36.06	8.71	23.47	35.17
<b>TOTAL</b>		<b>4793.36</b>	<b>4,813.53</b>	<b>3,116.38</b>	<b>3,467.16</b>
<b>II. ASSETS</b>					
<b>1 Non Current Assets</b>					
(a) Property Plant & Equipments					
(i) Tangible Assets	XV	1107.04	1,095.56	328.20	332.53
(ii) Intangible Assets	XV	0.93	1.62	3.19	4.76
(iii) Capital Work-In-Progress	XV	70.33	24.89	-	-
(b) Non-current Investments	XVI	3.70	3.70	3.70	3.70
(c) Long Term Loans and Advances	XVII	24.71	24.72	1.04	1.04
<b>2 Current Assets</b>					
(a) Inventories	XVIII	1075.56	1,048.05	984.63	987.67
(b) Trade Receivables	XIX	1969.64	2,210.86	1,338.51	1,642.83
(c) Cash and Bank Balance	XX	156.98	43.23	7.06	4.38
(d) Short-term Loans and Advances	XXI	384.47	360.90	450.05	490.25
(e) Other Current Assets	XXII	-	-	-	-
<b>TOTAL</b>		<b>4793.36</b>	<b>4,813.53</b>	<b>3,116.38</b>	<b>3,467.16</b>

Note: The above statement should be read with the significant accounting policies and notes to restated financial statements and Annexures II, III, IV(A), IV(B), IV(C) and Annexures V to XXXX.

## ANNEXURE-II

## STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount Rs. in Lakhs)

Particulars	Annexures	For the period ended			
		30/09/19	31/03/19	31/03/18	31/03/17
<b>I.</b> Revenue from operations (Gross)	XXIII	5,010.64	9,665.60	8,919.39	9,432.34
Less: Excise Duty		-	-	(186.86)	(820.99)
Revenue from operations (Net)		<b>5010.64</b>	<b>9,665.60</b>	<b>8,732.53</b>	<b>8,611.35</b>
<b>II.</b> Other income	XXIV	53.16	133.88	15.05	0.43
<b>III. Total Revenue (I + II)</b>		<b>5063.80</b>	<b>9,799.48</b>	<b>8,747.57</b>	<b>8,611.78</b>
<b>IV.</b> Expenses:					
Cost of Materials Consumed / Cost of Traded Goods Sold	XXV	4502.52	8,759.24	7,928.55	7,566.78
Changes in Inventories of Finished Goods	XXVI	(28.16)	39.65	(70.27)	31.88
Employee Benefits Expense	XXVII	92.07	159.24	161.84	158.45
Other Expenses	XXVIII	170.57	297.14	238.39	388.03
<b>Total Expenses</b>		<b>4737.00</b>	<b>9,255.27</b>	<b>8,258.51</b>	<b>8,145.13</b>
<b>V. Profit Before Interest, Depreciation and Tax (III- IV)</b>		<b>326.80</b>	<b>544.21</b>	<b>489.07</b>	<b>466.65</b>
Finance Costs	XXIX	68.85	125.36	119.32	126.08
Depreciation and Amortization Expense		9.82	19.92	18.94	15.95
<b>VI. Profit before exceptional and extraordinary items and tax</b>		<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
Exceptional item		-	-	-	-
<b>VII. Profit before extraordinary items and tax</b>		<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
Extraordinary item		-	-	-	-
<b>VIII. Profit Before Tax</b>		<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
<b>IX.</b> Tax expense:					
(1) Current Income Tax		(71.86)	(117.33)	(117.20)	(109.32)
(2) Deferred Tax		1.54	1.82	(1.70)	(1.04)
<b>X. Restated profit after tax for the period from continuing operations (VIII + IX)</b>		<b>177.81</b>	<b>283.42</b>	<b>231.91</b>	<b>214.26</b>
Profit/ (Loss) from Discontinuing operations		-	-	-	-
Tax expenses of discontinuing		-	-	-	-

	operations					
<b>XI.</b>	<b>Restated profit for the period</b>		<b>177.81</b>	<b>283.42</b>	<b>231.91</b>	<b>214.26</b>
Note: The above statement should be read with the significant accounting policies and notes to restated financial statements and Annexures I, III, IV(A), IV(B), IV(C) and Annexures V to XXXX.						

## ANNEXURE-III

## CASH FLOW STATEMENT AS RESTATED

(Amount Rs. in Lakhs)

Particulars	For the period ended			
	30/09/19	31/03/2019	31/03/2018	31/03/2017
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
<b>Net Profit before Tax (A)</b>	<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
Adjustments for :				
Depreciation & Amortization	9.82	19.92	18.94	15.95
Loss/(Gain) on Sale of Fixed Assets	-	(0.05)	1.68	-
Unrealised Foreign Exchange (Gain) / Loss (Net)	-	(2.80)	21.58	(14.72)
Forward / Option Premium Adjustment	-	-	8.01	(8.56)
Provision for Gratuity	7.95	5.40	(2.76)	5.44
Provision for Privileged Leave	1.28	1.99	(2.16)	0.54
Excise Duty Adjustment on Finished Goods	-	-	(14.83)	(5.09)
Interest / Finance Charges	68.85	125.36	119.31	126.07
Interest & Dividend Earned	(52.47)	(133.77)	(15.02)	(0.05)
<b>Sub Total (B)</b>	<b>35.42</b>	<b>16.05</b>	<b>134.75</b>	<b>119.58</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>283.55</b>	<b>414.98</b>	<b>485.56</b>	<b>444.20</b>
Adjustments for Changes in Working Capital				
(Increase) / Decrease in Inventories	(27.51)	(63.43)	3.05	(145.47)
(Increase) / Decrease in Trade Receivable	241.22	(874.22)	305.40	(377.91)
(Increase) / Decrease in Advances to Suppliers	(16.10)	19.11	(14.20)	(6.91)
(Increase) / Decrease in Short Term Loans & Advances	(7.48)	70.13	46.26	(73.17)
(Increase) / Decrease in Other Non-Current Assets	-	(0.90)	-	(0.02)
(Increase) / Decrease in Other Current Assets	-	-	-	-
Increase / (Decrease) in Trade Payables	(10.00)	528.82	(603.69)	201.99
Increase / (Decrease) in Other Current Liabilities	(2.72)	1.69	(42.99)	25.80
<b>Sub Total (C)</b>	<b>177.41</b>	<b>(318.80)</b>	<b>(306.17)</b>	<b>(375.69)</b>
<b>Cash Generated from Operations (A + B+ C)</b>	<b>460.96</b>	<b>96.18</b>	<b>179.39</b>	<b>68.51</b>
<b>Income tax paid during the year (D)</b>	<b>(49.80)</b>	<b>(154.99)</b>	<b>(112.28)</b>	<b>(111.91)</b>
<b>Net Cash Generated from Operations (A+B+C+D)</b>	<b>411.17</b>	<b>(58.80)</b>	<b>67.11</b>	<b>(43.40)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	(66.06)	(810.74)	(16.52)	(23.73)
Sales of Fixed Assets	-	0.20	1.80	-



(Increase)/ Decrease in Other Bank Balances not considered as Cash and Cash Equivalents	37.04	(38.73)	0.31	3.86
Interest & Dividend Received	52.47	133.77	15.02	0.05
<b>Net Cash Generated from Investing Activities</b>	<b>23.46</b>	<b>(715.50)</b>	<b>0.61</b>	<b>(19.82)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Share Capital Issued	-	-	-	-
Net of Repayment/ Proceeds from Working Capital Borrowings	(130.44)	235.27	179.79	232.63
Outstanding Installment for purchase of Land	-	514.13	-	-
Net of Repayment/ Proceeds from Long Term Borrowing	-	-	(2.48)	(3.43)
Net of Repayment/Proceeds from Unsecured Short Term Borrowing	(80.00)	149.00	(121.43)	(37.49)
Interest/ Finance Charges Paid	(68.85)	(125.36)	(119.31)	(126.07)
Dividend & Dividend Tax Paid	(4.55)	(1.30)	(1.30)	(2.59)
<b>Net Cash Generated from Investing Activities</b>	<b>(283.83)</b>	<b>771.74</b>	<b>(64.73)</b>	<b>63.05</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>150.79</b>	<b>(2.57)</b>	<b>2.99</b>	<b>(0.17)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>	<b>4.24</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>155.28</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>
<b>Cash and Cash Equivalents comprise of :</b>				
Cash on Hand	4.95	1.69	6.65	3.61
Balance with Bank	150.34	2.81	0.41	0.46
<b>Total</b>	<b>155.28</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>
Notes:				
(1) Cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements".				
(2) Cash and cash equivalents at the end of the period represent cash and bank balances and includes from 1-4-19 to 30-9-19 Rs. 1541/- (unrealised gain), FY 2018-19 Rs. 4622/- (unrealised gain), FY 2017-18 Rs. 299/- (unrealised gain), FY 2016-17 Rs 2302/- (unrealised loss) on account of translations of foreign currency balances.				
(3) Previous year's figures have been regrouped/reclassified wherever applicable.				
Note: The above statement should be read with the significant accounting policies and notes to restated financial statements and Annexures I, II, IV(A), IV(B), IV(C) and Annexures V to XXXX.				

### GENERAL INFORMATION

Our Company was originally incorporated as Hindprakash Lonsen Industries Private Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated November 11, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to Shareholder's Resolution passed at the Extra Ordinary General Meeting held on February 16, 2018, the name of our Company was changed to Hindprakash Industries Private Limited vide a fresh Certificate of Incorporation dated March 14, 2018 issued by the Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on November 15, 2018 and consequent upon conversion, the name of our Company was changed to Hindprakash Industries Limited vide a fresh certificate of incorporation issued by the Registrar of Companies, Ahmedabad dated November 29, 2018 bearing Corporate Identity Number U24100GJ2008PLC055401.

For details of changes in name and registered office of our Company, please refer the section titled "History and Certain Other Corporate Matters" beginning on page 131.

#### Brief Company and Issue Information

<b>Registered Office of our Company</b>	301, Hindprakash House, Plot No.10/6, GIDC, Vatva, Ahmedabad- 382445, Gujarat, India <b>Tel. No.:</b> +91-79-6812 7000-10 <b>Fax No.:</b> +91-79 6812 7096 <b>CIN:</b> U24100GJ2008PLC055401 <b>Website:</b> www.hindprakash.in <b>Email:</b> info@hindprakash.com
<b>Date of Incorporation</b>	November 11, 2008
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Ahmedabad</b> ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad - 380013, India <b>Tel. No.:</b> +91-79- 27438531 <b>Fax No.:</b> +91-79- 27438371 <b>Website:</b> www.mca.gov.in
<b>Designated Stock Exchange</b>	<b>Emerge Platform of National Stock Exchange of India Limited</b> Exchange Plaza, Plot No. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai-400051, Maharashtra, India

#### BOARD OF DIRECTORS OF OUR COMPANY

Our Company's Board comprises of the following Directors:

Name	Designation	DIN	Address
Sanjay Prakash Mangal	Managing Director	02825484	21, Ashwavilla Bungalows, Sindhu Bhavan Road, Thaltej, Ahmedabad- 380059, Gujarat, India
Santosh Narayan Nambiar	Whole-Time Director	00144542	C-001, Sagun Jyotee, Opp. Dhananjay Bunglows, Satellite, Ahmedabad – 380015, Gujarat, India

Name	Designation	DIN	Address
Om Prakash Mangal	Non-Executive Director	03078228	Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad- 380006, Gujarat, India
Rachana Abhinav Agrawal	Non-Executive Director	02935245	43/44, Green Park Bungalows, Ambli Bopal Road, Ambli Village, Ahmedabad-382450, Gujarat, India
Sanjaykumar Kailashchandra Gupta	Independent Director	07762680	Royal A 1303, Neelkanth Palms, Ghodbundar Road, Near Tatvagyan Vidhyapeeth, Thane West, Thane- 400610, Maharashtra, India
Jitendra Kumar Sharma	Independent Director	07526003	208-A Krishna Marg, Kundan Nagar, Ajmer-305001, Rajasthan, India

For further details in relation to our Directors, please refer to the chapter titled “Our Management” beginning on page 135.

#### **COMPANY SECRETARY & COMPLIANCE OFFICER**

##### **UTSAV HIMANSHU TRIVEDI**

##### **Hindprakash Industries Limited**

301, Hindprakash House, Plot No.10/6, GIDC,

Vatva, Ahmedabad- 382445, Gujarat, India

**Tel. No.:** +91-79-6812 7156

**Email:** uht@hindprakash.com

#### **CHIEF FINANCIAL OFFICER**

##### **HETAL KISHORBHAI SHAH**

##### **Hindprakash Industries Limited**

301, Hindprakash House, Plot No.10/6, GIDC,

Vatva, Ahmedabad- 382445, Gujarat, India

**Tel. No.:** +91-79-6812 7148/49

**Email:** hks@hindprakash.com

#### **Investor Grievances**

Investors may contact the Company Secretary & Compliance Officer and/or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and unblocking of funds.

All grievances may be addressed to the Registrar to the Issue 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 or first applicant, Application Form number, applicant DP ID, Client ID, details of UPI IDs, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

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

<b>LEAD MANAGER TO THE ISSUE</b>	<b>LEGAL ADVISOR TO THE ISSUE</b>
<p><b>HEM SECURITIES LIMITED</b> 904, A Wing, 9th Floor, Naman Midtown, Senapati Bapat Marg, Elphinstone Road, Lower Parel, Mumbai-400013, Maharashtra, India. <b>Tel. No.:</b> + 91-22-49060000 <b>Email:</b> <a href="mailto:ib@hemsecurities.com">ib@hemsecurities.com</a> <b>Investor Grievance Email:</b> <a href="mailto:redressal@hemsecurities.com">redressal@hemsecurities.com</a> <b>Website:</b> <a href="http://www.hemsecurities.com">www.hemsecurities.com</a> <b>Contact Person:</b> Mr. Anil Bhargava <b>SEBI Registration No.:</b> INM000010981</p>	<p><b>MMJC &amp; Associates LLP</b> Ecstasy, 803/804, 9th Floor, City of Joy, J.S.D Road, Mulund (West), Mumbai- 400080, Maharashtra, India <b>Tel. No.:</b> +91-22-21678100 <b>Email:</b> <a href="mailto:makarandjoshi@mmjc.in">makarandjoshi@mmjc.in</a> <b>Website:</b> <a href="http://www.mmjcadvisory.com">www.mmjcadvisory.com</a> <b>Contact Person:</b> Mr. Makarand M. Joshi</p>
<b>REGISTRAR TO THE ISSUE</b>	<b>STATUTORY AUDITOR</b>
<p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra India. <b>Tel. No.:</b> +91-22-6263 8200 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>Contact Person:</b> Swapnil Kate <b>SEBI Registration No.:</b> INR000001385</p>	<p><b>KEDIA &amp; KEDIA ASSOCIATES, CHARTERED ACCOUNTANTS</b> 205, Kaling, 2<sup>nd</sup> Floor, Near Mount Carmel School, B/h B. J. House, Off Ashram Road, Ahmedabad- 380009, Gujarat, India <b>Tel. No.:</b> +91-79-26589941/40304610 <b>Peer Review Number -</b> 008942 <b>Email:</b> <a href="mailto:kediaca@kediaca.com">kediaca@kediaca.com</a> <b>Website:</b> <a href="http://www.kediaca.com">www.kediaca.com</a> <b>Firm Registration No.:</b> 104954W <b>Contact Person:</b> Mr. Subodh Kedia</p>
<b>BANKER TO OUR COMPANY</b>	<b>BANKER TO THE ISSUE AND SPONSOR BANK</b>
<p><b>IDBI Bank Limited</b> CG Road Branch, IDBI Complex, Lal Bunglows, Off CG Road, Ahmedabad-380006 <b>Tel. No.:</b> +91-79- 66072606 <b>Email:</b> <a href="mailto:ibkl0000009@idbi.co.in">ibkl0000009@idbi.co.in</a> <b>Website:</b> <a href="http://www.idbibank.in">www.idbibank.in</a> <b>Contact Person:</b> Branch Head- CG Road Branch</p>	<p><b>ICICI Bank Limited</b> Capital Market Division, 1<sup>st</sup> Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 <b>Tel. No.:</b> 022-66818911/23/24 <b>Fax Number:</b> 022-22611138 <b>Email:</b> <a href="mailto:kmr.saurabh@icicibank.com">kmr.saurabh@icicibank.com</a> <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>Contact Person:</b> Mr. Saurabh Kumar <b>SEBI Registration No.:</b> INBI00000004</p>

**STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES FOR THE ISSUE**

Since, Hem Securities Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

**SELF-CERTIFIED SYNDICATE BANKS (SCSBS)**

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and as updated from time to time. For more information on the Designated Branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time.

#### **REGISTERED BROKERS**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange at [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### **REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

#### **CREDIT RATING**

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

#### **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 there is no requirement of appointing an IPO Grading agency.

#### **TRUSTEES**

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

#### **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

#### **APPRAISING ENTITY**

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

## FILING OF THIS PROSPECTUS

This Prospectus is being filed with Stock Exchange at:

### National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot no. C/1, G Block,  
Bandra- Kurla Complex, Bandra (E), Mumbai – 400051

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a soft copy of the Draft Prospectus has been filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI has not issued any observation on the offer document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018.

A soft copy of this Prospectus along with Due Diligence Certificate including additional confirmation shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per SEBI (ICDR) Regulations.

Pursuant to Section 26 of the Companies Act, 2013, the Prospectus is required to be filed along with the material contracts and documents referred to in this Prospectus with ROC at:

### Registrar of Companies, Ahmedabad

ROC Bhavan, Opp Rupal Park Society,  
Behind Ankur Bus Stop,  
Naranpura, Ahmedabad - 380013, India

## EXPERTS

Our Company has received written consent from the Statutory Auditors namely, M/s. Kedia & Kedia Associates, Chartered Accountants to include their name as required under the Companies Act, 2013 in this Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements and the Statement of Income Tax Benefits dated August 14, 2019. Further, we have also received written consent from M/s. Rahil S Shah & Associates, Chartered Accountants to include their name as required under the Companies Act, 2013 in this Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the Statement of Indirect Tax Benefits dated August 26, 2019, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

## UNDERWRITING

The Company has entered into the Underwriting Agreement with the Underwriter for the Equity Shares proposed to be offered through the Issue.

Pursuant to the terms of the Underwriting Agreement dated December 26, 2019 entered into by Company with Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of Underwriter	No. of Equity Shares Underwritten	Amount Underwritten (Rs. in Lakhs)	% of Total Issue Size Underwritten
Hem Securities Limited	28,80,000	1152	100

*\*Includes 1,50,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018.*

As per Regulation 260 of SEBI (ICDR) Regulations, 2018 the Lead Manager shall underwrite to a minimum extent of 15 % of the Issue out of its own account.

In the opinion of the Board of Directors of our Company, the resources of the above mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

**DETAILS OF MARKET MAKING ARRANGEMENT FOR THE ISSUE**

Our Company, the Lead Manager and Market Maker have entered into Market Making Agreement dated December 26, 2019 with the following Market Maker to fulfil the obligations of Market Making for this Issue:

<b>Name</b>	Hem Finlease Private Limited
<b>Correspondence Address:</b>	904, Naman Midtown, A wing, Senapati Bapat Marg, Elphinstone Rd. Lower Parel, Mumbai-400013
<b>Tel No.:</b>	+91 22 4906 0000
<b>Fax No.</b>	+91 22 4906 0061
<b>E-mail:</b>	ib@hemsecurities.com
<b>Website:</b>	www.hemsecurities.com
<b>Contact Person:</b>	Mr. Anil Bhargava
<b>SEBI Registration No.:</b>	INB231110033

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

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

1. The Market Maker 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 shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.
2. The minimum depth of the quote shall be Rs. 1,00,000. However, the investors with holdings of value less than Rs. 1,00,000 shall be allowed to offer their holding to the Market Maker 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. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including 1,50,000 Equity Shares to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size 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 reduces to 24% of Issue Size, the Market Maker will resume providing two (2) way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
7. There would not be more than five (5) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

8. On the first day of the listing, there will be special 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.
9. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
10. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
11. The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particular point of time.

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

14. **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:



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

15. The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform.

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

*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.*

#### CHANGE IN AUDITORS DURING THE LAST THREE (3) YEARS

Except as mentioned below, there has been no change in Auditors of our Company during the last three years immediately preceding the date of this Prospectus.

Details of Auditor	Date of Change	Reason
<b>KEDIA &amp; KEDIA ASSOCIATES</b> 205, Kaling, 2nd Floor, Near Mount Carmel School, Behind B.J. House, Off Ashram Road, Ahmedabad- 380009, Gujarat <b>Tel No:</b> +91-79-26589941/40304610 <b>Email:</b> kediaca@kediaca.com <b>Firm Registration No.:</b> 104954W <b>Peer Review No.:</b> 008942	September 23, 2019	Resignation
<b>KKAK &amp; CO.</b> Krishna Mansion, Ghee Bazar, Kalupur, Ahmedabad-380002, Gujarat <b>Tel No:</b> 079-22133850	September 23, 2019	Appointment

<b>Email:</b> kkakco.ca@gmail.com <b>Firm Registration No.:</b> 148674W		
<b>KKAK &amp; CO.</b> Krishna Mansion, Ghee Bazar, Kalupur, Ahmedabad-380002, Gujarat <b>Tel No:</b> 079-22133850 <b>Email:</b> kkakco.ca@gmail.com <b>Firm Registration No.:</b> 148674W	October 14, 2019	Resignation
<b>KEDIA &amp; KEDIA ASSOCIATES</b> 205, Kaling, 2nd Floor, Near Mount Carmel School, Behind B.J. House, Off Ashram Road, Ahmedabad- 380009, Gujarat <b>Tel No:</b> +91-79-26589941/40304610 <b>Email:</b> kediaca@kediaca.com <b>Firm Registration No.:</b> 104954W <b>Peer Review No.:</b> 008942	November 15, 2019	Appointment

## CAPITAL STRUCTURE

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

(Rs. in Lakhs except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorized Share Capital</b>		
	1,15,00,000 Equity Shares of face value of Rs. 10/- each	1150.00	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-Up Share Capital prior to the Issue*</b>		
	75,44,110 Equity Shares of face value of Rs. 10/- each	754.41	-
<b>C</b>	<b>Present Issue in terms of this Prospectus*</b>		
	28,80,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share at a premium of Rs. 30 per share	288.00	1152
	<i>Which comprises:</i>		
<b>I.</b>	<b>Reservation for Market Maker Portion</b>		
	1,50,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share at a premium of Rs. 30 per share	15.00	60
<b>II.</b>	<b>Net Issue to the Public</b>		
	27,30,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 40 per share at a premium of Rs. 30 per share	273.00	1092
	<i>of which:</i>		
	13,65,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 40 per share will be available for allocation for allotment to Retail Individual Investors applying for a value upto Rs. 2.00 Lakhs	136.50	546.00
	13,65,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 40 per share will be available for allocation for allotment to other than Retail Individual Investors applying for a value above Rs. 2.00 Lakhs	136.50	546.00
<b>D</b>	<b>Issued, Subscribed &amp; Paid-Up Share Capital after the Issue</b>		
	1,04,24,110 Equity Shares of face value of Rs. 10/- each	1042.41	-
<b>E</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		864.00

\*The Present Issue of 28,80,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated July 04, 2019 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on July 29, 2019.

## Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

**NOTES TO CAPITAL STRUCTURE**

## A. Details of changes in Authorized Share Capital of our Company

Date of Meeting	AGM/EGM	Changes in Authorized Share Capital
Upon Incorporation		Authorized Share Capital of Rs. 1,00,00,000 (Rupees One Crore) divided into 10,00,000 (Ten Lakhs) Equity Shares of face value of Rs. 10 each.
March 04, 2013	EGM	Increase in Authorized Share Capital from Rs. 1,00,00,000 (Rupees One Crore) divided into 10,00,000 (Ten Lakhs) Equity Shares of face value of Rs. 10 each to Rs. 2,50,00,000 (Rupees Two Crores and Fifty Lakhs) divided into 25,00,000 (Twenty Five Lakhs) Equity Shares of face value of Rs. 10 each.
September 28, 2018	AGM	Increase in Authorized Share Capital from Rs. 2,50,00,000 (Rupees Two Crores and Fifty Lakhs) divided into 25,00,000 (Twenty Five Lakhs) Equity shares of face value of Rs. 10 each to Rs. 11,50,00,000 (Rupees Eleven Crores and Fifty Lakhs) divided into 1,15,00,000 (One Crore and Fifteen Lakhs) Equity shares of face value of Rs. 10 each.

## B. Equity Share Capital History of our Company:

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

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Shares Capital (Rs.)
On Incorporation	10,000	10	10	Cash	Subscription to MOA <sup>(i)</sup>	10,000	100,000
November 25, 2009	9,90,000	10	10	Cash	Further Allotment <sup>(ii)</sup>	10,00,000	1,00,00,000
March 15, 2013	1,00,000	10	27.50	Cash	Further Allotment <sup>(iii)</sup>	11,00,000	1,10,00,000
March 20, 2014	5,10,000	10	27.50	Cash	Further Allotment <sup>(iv)</sup>	16,10,000	1,61,00,000
March 31, 2014	5,45,460	10	27.50	Cash	Further Allotment <sup>(v)</sup>	21,55,460	2,15,54,600
November 01, 2018	53,88,650	10	-	Other than Cash	Bonus Issue in the ratio of 5 equity shares for every 2 equity shares held <sup>(vi)</sup>	75,44,110	7,54,41,100

**Notes:**

- i. Initial Subscribers to Memorandum of Association hold 5,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

Sr. No.	Names of Subscribers	No. of Equity Shares Subscribed
1.	Santosh Narayan Nambiar	5,000
2.	Sachin Modi	5,000
	<b>Total</b>	<b>10,000</b>

- ii. Further Allotment of 9,90,000 Equity Shares of face value of Rs. 10 each as per the details given below:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted
1.	Hindprakash Global Private Limited*	9,90,000
	<b>Total</b>	<b>9,90,000</b>

iii. Further Allotment of 1,00,000 Equity Shares of face value of Rs. 10 each as per the details given below:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted
1.	Hindprakash Global Private Limited*	1,00,000
	<b>Total</b>	<b>1,00,000</b>

iv. Further Allotment of 5,10,000 Equity Shares of face value of Rs. 10 each as per the details given below:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted
1.	Hindprakash Global Private Limited*	5,10,000
	<b>Total</b>	<b>5,10,000</b>

v. Further Allotment of 5,45,460 Equity Shares of face value of Rs. 10 each as per the details given below:

Sr. No.	Names of Allottees	No. of Equity Shares Allotted
1.	Sanjay Prakash Mangal	1,00,000
2.	Dimple Mangal	1,00,000
3.	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	1,00,000
4.	Om Prakash Mangal	1,00,000
5.	Radhika S Mangal (Through F & N G Sanjay Prakash Mangal)	72,730
6.	Priyata S Mangal (Through F & N G Sanjay Prakash Mangal)	72,730
	<b>Total</b>	<b>5,45,460</b>

vi. Bonus Issue of 53,88,650 Equity Shares of face value of Rs. 10 each in the ratio of 5 equity shares for every 2 equity shares held as per the details given below:

Sr. No.	Names of Allottees	No. of Equity Shares Allotted
1.	Sanjay Prakash Mangal	10,75,025
2.	Om Prakash Mangal	10,50,000
3.	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	10,50,000
4.	Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	9,31,825
5.	Dimple Mangal	5,50,000
6.	Radhika Mangal	4,31,825
7.	Om Prakash Mangal Karta of HUF Omprakash Sanjayprakash HUF	1,50,000
8.	Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	75,000
9.	Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	68,650
10.	Santosh Narayan Nambiar	6,250
11.	Sarika Modi	25
12.	Shashi Modi	25
13.	Rajendra Modi	25
	<b>Total</b>	<b>53,88,650</b>

\*Originally shares were allotted to Hindprakash International Private Limited. The name of the Company was changed to Shanker Global Private Limited vide fresh certificate of incorporation dated October 01, 2014.

*Further, the Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT) has sanctioned the Modified Composite Scheme of Arrangement (Scheme) involving demerger, amalgamation and restructure of share capital between Shanker Global Private Limited, Spectrum Tubes Private Limited, Hindprakash Corporation Private Limited and Laxmi Alutrade Private Limited, vide order dated August 03, 2017 and consequentl, name of the transferor/de-merged company in our register of members has been changed to Laxmi Alutrade Private Limited being resultant company. Further, the name of Laxmi Alutrade Private Limited was changed to Hindprakash Global Private Limited w.e.f. July 05, 2019.*

As on the date of this Prospectus, our Company does not have any preference share capital.

- C. Issue of Equity Shares for consideration other than cash: We have not issued Equity Shares for consideration other than cash in the preceding one year.
- D. No Equity Shares have been allotted pursuant to any scheme approved under sections 230-234 of the Companies Act, 2013 or under the erstwhile corresponding provisions of the Companies Act, 1956.
- E. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- F. Except as mentioned above, our Company has not issued any Equity Shares at a price lower than the issue price during one year preceding the date of this Prospectus.
- G. Details of Allotment made in the last two years preceding the date of this Prospectus.

Except as mentioned in note (vi) we have not issued Equity Shares in the last two years preceding the date of this Prospectus.

H. Capital build-up in respect of shareholding of our Promoters:

As on the date of this Prospectus, our Promoters Mr. Sanjay Prakash Mangal, Mr. Om Prakash Mangal and Mr. Santosh Narayan Nambiar hold 10,85,155 Equity Shares, 14,70,000 Equity Shares and 8,750 Equity Shares respectively of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

(a) Set forth below is the build-up of the shareholding of our Promoters, since the incorporation of our Company:

Date of Allotment / transfer	No. of Equity Shares	Face Value	Issue / Acquisition / Transfer Price	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	Pre - Issue Shareholding %	Post - Issue Shareholding %
<b>Sanjay Prakash Mangal</b>							
November 08, 2013	2,00,000	10	35	Cash	Transfer from Hindprakash Global Private Limited*	2.65	1.92
	(10)	10	10	Cash	Transfer to Vibhor Agarwal	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Suman Finstocks Private Limited	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Shashi Modi	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Sachin Modi HUF	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Sarika Modi	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Nancy Agarwal	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Rajendra Modi HUF	Negligible	Negligible
March 01, 2014	(10)	10	10	Cash	Transfer to Dilipkumar Shah	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Anil Mathur HUF	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Karuna Bagadia	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Rajendra Modi	Negligible	Negligible
	(10)	10	10	Cash	Transfer to Ruhanshi Mathur	Negligible	Negligible
March 31, 2014	1,00,000	10	27.50	Cash	Further allotment	1.33	0.96
	1,20,000	10	35.00	Cash	Acquired from Hindprakash Global Private Limited*	1.59	1.15
July 31, 2015	10	10	10	Cash	Transfer from Sachin Modi HUF	Negligible	Negligible
	10	10	10	Cash	Transfer from Rajendra Modi HUF	Negligible	Negligible
	10	10	10	Cash	Transfer from Dilipkumar Shah	Negligible	Negligible

Date of Allotment / transfer	No. of Equity Shares	Face Value	Issue / Acquisition / Transfer Price	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	Pre - Issue Shareholding %	Post - Issue Shareholding %
September 15, 2015	10	10	10	Cash	Transfer from Suman Finstocks Private Limited	Negligible	Negligible
March 07, 2018	10	10	35	Cash	Transfer from Hindprakash	Negligible	Negligible
	10	10	35		Tradelink Private Limited**	Negligible	Negligible
	10	10	10.00	Cash	Transfer from Vibhor Agarwal	Negligible	Negligible
	10	10	10.00	Cash	Transfer from Ruhanshi Mathur	Negligible	Negligible
	10	10	10.00	Cash	Transfer from Anil Mathur HUF	Negligible	Negligible
	10	10	10.00	Cash	Transfer from Karuna Bagadia	Negligible	Negligible
	10	10	10	Cash	Transfer from Hindprakash Global Private Limited*	Negligible	Negligible
	10	10	35		Negligible	Negligible	
	10	10	10.00	Cash	Transfer from Nancy Agarwal	Negligible	Negligible
April 11, 2018	10,000	10	77.00	Cash	Acquired from Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	0.13	0.10
November 01, 2018	10,75,025	10	Nil	Other than cash	Bonus Issue	14.25	10.31
November 19, 2018	(4,19,880)	10	22	Cash	Transfer to Radhika Mangal	(5.57)	(4.03)
<b>Total (A)</b>	<b>10,85,155</b>					<b>14.38</b>	<b>10.41</b>
<b>Om Prakash Mangal</b>							
November 08, 2013	2,00,000	10	35	Cash	Transfer from Hindprakash Global Private Limited*	2.65	1.92
March 31, 2014	1,00,000	10	27.50	Cash	Further allotment	1.33	0.96
March 31, 2014	1,20,000	10	35	Cash	Transfer from Hindprakash Global Private Limited*	1.59	1.15
November 01, 2018	10,50,000	10	Nil	Other than cash	Bonus Issue	13.92	10.07
<b>Total (B)</b>	<b>14,70,000</b>					<b>19.49</b>	<b>14.10</b>



Date of Allotment / transfer	No. of Equity Shares	Face Value	Issue / Acquisition / Transfer Price	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	Pre - Issue Shareholding %	Post - Issue Shareholding %
<b>Santosh Narayan Nambiar</b>							
On Incorporation	5,000	10	10	Cash	Subscription to MOA	0.07	0.05
October 16, 2009	(10)	10	10	Cash	Transfer to Rajendra M Vadodaria	Negligible	Negligible
November 25, 2009	(10)	10	10	Cash	Transfer to Santosh Nambiar (as Nominee of Hindprakash Global Private Limited*)	Negligible	Negligible
	(4,980)	10	10	Cash	Transfer to Hindprakash Global Private Limited*	(0.07)	(0.05)
April 11, 2018	2,500	10	77	Cash	Transfer from Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	0.03	0.02
November 01, 2018	6,250	10	NIL	Other than cash	Bonus Issue	0.08	0.06
<b>Total (C)</b>	<b>8,750</b>					<b>0.12</b>	<b>0.08</b>
<b>Total (A+B+C)</b>	<b>25,63,905</b>					<b>33.99</b>	<b>24.60</b>

\*Originally shares were allotted/transferred to/from Hindprakash International Private Limited. The name of the Company was changed to Shanker Global Private Limited vide fresh certificate of incorporation dated October 01, 2014. Further, the Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT) has sanctioned the Modified Composite Scheme of Arrangement (Scheme) involving demerger, amalgamation and restructure of share capital between Shanker Global Private Limited, Spectrum Tubes Private Limited, Hindprakash Corporation Private Limited and Laxmi Alutrade Private Limited, vide order dated August 03, 2017 and consequently, name of the transferor/de-merged company in our register of members has been changed to Laxmi Alutrade Private Limited being resultant company. Further, the name of Laxmi Alutrade Private Limited was changed to Hindprakash Global Private Limited w.e.f. July 05, 2019.

\*\* The Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT) has sanctioned the Modified Composite Scheme of Arrangement (Scheme) in the nature of Amalgamation of Hindprakash Tradelink Private Limited (Transferor Company) with Ahmedabad Chemicals Private Limited (Transferee Company) and the restructure of Ahmedabad Chemicals Private Limited vide Order dated October 11, 2017. Further, pursuant to the sanctioned scheme, the name of the company has been changed from Ahmedabad Chemicals Private Limited to M/s Hindprakash Tradelink Private Limited vide fresh certificate of incorporation dated October 30, 2017.

(b) Details of Promoters' Contribution Locked-in for Three (3) Years

Pursuant to Regulation 236 and Regulation 238 of the SEBI (ICDR) Regulations, 2018 an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoters shall be considered as Promoters' Contribution ("Promoters' Contribution") and shall be locked-in for a period of three years from the date of

Allotment of Equity Shares issued pursuant to this Issue. The lock in of Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares. We further confirm that Minimum Promoters' Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

Details of the Equity Shares (eligible for inclusion in the Minimum Promoters Contribution, in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018) forming part of Minimum Promoters Contribution and proposed to be locked-in for a period of three years from the date of Allotment are as follows:

#### Details of Promoter's Contribution

Date of Allotment/ transfer of fully paid up Shares	No. of Equity Shares	Face Value	Issue Price	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre issue equity share capital	% of post issue equity share capital
<b>Om Prakash Mangal</b>							
November 01, 2018	10,50,000	10	Nil	Other than Cash	Bonus Issue	13.92	10.07
March 31, 2014	1,20,000	10	35	Cash	Transfer from Hindprakash Global Private Limited	1.59	1.15
March 31, 2014	72,500	10	35	Cash	Further Allotment	0.96	0.70
<b>Sanjay Prakash Mangal</b>							
November 01, 2018	8,42,500	10	Nil	Other than Cash	Bonus Issue	11.17	8.08
<b>Grand Total</b>	<b>20,85,000</b>					<b>27.64</b>	<b>20.00</b>

For details on the build-up of the Equity Share Capital held by our Promoters, please refer to "Build-up of our Promoter's shareholding in our Company".

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20.00% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoter's Contribution under SEBI (ICDR) Regulations. Further, in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, the Minimum Promoters' Contribution of 20.00 % of the Post Issue Capital of our Company as mentioned above does not consist of:

In this regard, we confirm that:

- Equity Shares acquired during the three (3) years preceding the date of this Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or

bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;

- ii. the Minimum Promoter's Contribution does not include Equity Shares acquired during the one (1) year preceding the date of this Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- iii. Our Company has been not been formed by conversion of a partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm; and
- iv. the Equity Shares held by our Promoters and offered as part of the Minimum Promoter's Contribution are not subject to any pledge.

(c) Details of Equity Shares Locked-in for One (1) Year

Other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue.

(d) Other requirements in respect of lock-in

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters and locked-in for one (1) year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoters' Contribution for three (3) years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue. In terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations").

Further, in terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one (1) year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulation.

## I. Shareholding pattern

I. The table below presents the current shareholding pattern of our Company as on the date of this Prospectus.

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C 2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C 2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form\$
								No. of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held (b)	No.	As a % of total Shares held (b)	
								Class Equity Shares of Rs. 10 each^	Class eg: y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII	XIV	
(A)	Promoters & Promoter Group	10	75,44,005	-	-	75,44,005	100.00	75,44,005	-	75,44,005	100.00	-	-	-	-	-	-	75,44,005
(B)	Public	3	105	-	-	105	Negligible	105	-	105	Negligible	-	-	-	-	-	-	105

							e				ible						
(C)	Non Promo ter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underl ying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>13</b>	<b>75,44, 110</b>	-	-	<b>75,44, 110</b>	<b>100.00</b>	<b>75,44, 110</b>	-	<b>75,44, 110</b>	<b>100.00</b>	-	-	-	-	-	<b>75,44,110</b>

**II – Shareholding pattern of the Promoters and Promoter Group**

S.No.	Category & Name of the Shareholders	PAN	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2	Number of Locked in shares*		Number of Shares pledged or otherwise	Number of equity shares held in dematerialized form\$	
									No of Voting Rights					Total as a % of Total Voting rights	As a % of total Shares held (a)			As a % of total shares held (b)
									Class Equity Shares of Rs.10/- each^	Class Y	Total							
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX			X	XI = VII+X	XII	XIII	XIV			
(1)	Indian																	
(a)	Individuals/Hindu undivided Family		10	75,44,005	-	-	75,44,005	100.00	75,44,005	-	75,44,005	100.00	-	100.00	-	-	-	75,44,005
1.	Om Prakash Mangal	AXSPM7946C	1	14,70,000	-	-	14,70,000	19.49	14,70,000	-	14,70,000	19.49	-	19.49	-	-	-	14,70,000
2.	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	BGHPM1058A	1	14,70,000	-	-	14,70,000	19.49	14,70,000	-	14,70,000	19.49	-	19.49	-	-	-	14,70,000
3.	Priyata Mangal	AKYPM643	1	13,04,555	-	-	13,04,555	17.29	13,04,555	-	13,04,555	17.29	-	17.29	-	-	-	13,04,555

	(Through F & N G Sanjay Prakash Mangal)	4C							5		5							
4.	Sanjay Prakash Mangal	ACJPM2990 A	1	10,85,155	-	-	10,85,155	14.38	10,85,155	-	10,85,155	14.38	-	14.38	-	-	-	10,85,155
5.	Radhika Mangal	AKYPM643 5D	1	10,24,435	-	-	10,24,435	13.58	10,24,435	-	10,24,435	13.58	-	13.58	-	-	-	10,24,435
6.	Dimple Mangal	AVHPM884 8A	1	7,70,000	-	-	7,70,000	10.21	7,70,000	-	7,70,000	10.21	-	10.21	-	-	-	7,70,000
7.	Om Prakash Mangal Karta of HUF Omprakash Sanjayprakash HUF	AAAHO794 1L	1	2,10,000	-	-	2,10,000	2.78	2,10,000	-	2,10,000	2.78	-	2.78	-	-	-	2,10,000
8.	Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	AAAHO796 7G	1	1,05,000	-	-	1,05,000	1.39	1,05,000	-	1,05,000	1.39	-	1.39	-	-	-	1,05,000
9.	Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	AATHS370 6E	1	96,110	-	-	96,110	1.27	96,110	-	96,110	1.27	-	1.27	-	-	-	96,110
10.	Santosh Narayan Nambiar	ABDPN687 2B	1	8,750			8,750	0.12	8,750		8,750	0.12		0.12				8,750

(b)	Central Government/ State Government(s)	0															
(c)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>10</b>	<b>75,44,005</b>	<b>-</b>	<b>-</b>	<b>75,44,005</b>	<b>100.00</b>	<b>75,44,005</b>	<b>-</b>	<b>75,44,005</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,44,005</b>
(2)	Foreign	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoters</b>	<b>10</b>	<b>75,44,005</b>	<b>-</b>	<b>-</b>	<b>75,44,005</b>	<b>100.00</b>	<b>75,44,005</b>	<b>-</b>	<b>75,44,005</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,44,005</b>



and Promoter Group (A)= (A)(1)+(A)(2)																				
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**III- Shareholding pattern of the Public shareholder**

S.No.	Category & Name of the Shareholders	No. of share holder	PAN	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares*		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form\$	
									No of Voting Rights					Total as a % of Total Voting rights	No.	As a % of total shares held (a)	No.		As a % of total shares held (not applicable)(b)
									Class Equity Shares of Rs.10/	Class Y	Total								
	<b>I</b>	<b>III</b>		<b>IV</b>	<b>V</b>	<b>VI</b>	<b>VII=IV+V+VI</b>	<b>VIII</b>	<b>IX</b>			<b>X</b>	<b>XI= VII+ X</b>	<b>XI</b>		<b>XIII</b>		<b>XIV</b>	
<b>(I)</b>	<b>Institutions</b>																		
(a)	Mutual Funds	0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Venture Capital Investors	0		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(e)	Foreign Portfolio Investors	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/ Banks	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	<b>Central Government/ State Government(s)/ President of India</b>	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	<b>Non-institutions</b>																
(a)	Individuals																
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	3	105	-	-	105	Negligible	105	-	10	Negligible	-	Negligible	-	-	-	105
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	lakhs.																
(b)	NBFCs registered with RBI	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other Body Corporate	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(3)</b>	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	3	105	-	-	105	Negligible	105	-	105	Negligible	-	Negligible	-	-	-	105

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

S.No.	Category & Name of the Shareholders	No. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	Nos. of shares underlying Depository Receipts	Total nos. shares held	Shareholding (calculated as per SCRR, 1957)  As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares*		Number of Shares pledged or otherwise encumbered		Number of equity shares held in Share dematerialized form (Not applicable)\$
								No of Voting Rights*			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (not applicable)	As a % of total shares held (not applicable)	
								Class Equity Shares of Rs.10/- each^	Class Y	Total								
	<b>I</b>	<b>III</b>	<b>IV</b>	<b>V</b>	<b>VI</b>	<b>VII=IV+V+VI</b>	<b>VIII</b>	<b>IX</b>				<b>X</b>	<b>XI= VII+ X</b>	<b>XII</b>		<b>XIII</b>		<b>XIV</b>
(1)	Custodian/ DR Holder																	
(a)	Name of DR Holder (if available)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub Total (c) (1)</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(2)	Employee Benefit Trust (under SEBI)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(Share based Employee Benefit Regulations, 2014)																	
<b>Sub Total (C) (2)</b>	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Promoter Non-Public shareholding (C) = (C)(1)+ (C)(2)</b>	<b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\*As on the date of this Prospectus 1 Equity Share holds 1 vote

\*\* Pursuant to SEBI (ICDR) Regulations, at least 20% of the post Issue Paid-up Equity Share Capital (Minimum Promoters' Contribution) shall be locked in for a period of three years and the remaining entire shareholding shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

^ We have only 1 class of Equity Shares of face value of Rs.10 each

\$ All the Equity Shares have been dematerialized.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity Shares.

J. The Lead Manager and its associates do not hold any Equity Shares as on the date of this Prospectus.

K. The Lead Manager and its affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

L. Pre Issue and Post Issue Shareholding of our Promoter and Promoters' Group

Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed issue:

Name	Pre Issue		Post Issue	
	No. of Equity Shares	% of Pre Issue paid up Equity Shares	No. of Equity Shares	Post Issue paid up Equity Shares
<b>Promoters</b>				
Sanjay Prakash Mangal	10,85,155	14.38	10,85,155	10.41
Om Prakash Mangal	14,70,000	19.49	14,70,000	14.10
Santosh Narayan Nambiar	8,750	0.12	8,750	0.08
<b>Total (A)</b>	<b>25,63,905</b>	<b>33.99</b>	<b>25,63,905</b>	<b>24.60</b>
<b>Promoter Group</b>				
Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	14,70,000	19.49	14,70,000	14.10
Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	13,04,555	17.29	13,04,555	12.51
Radhika Mangal	10,24,435	13.58	10,24,435	9.83
Dimple Mangal	7,70,000	10.21	7,70,000	7.39
Om Prakash Mangal Karta of HUF Omprakash Sanjayprakash HUF	2,10,000	2.78	2,10,000	2.01
Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	1,05,000	1.39	1,05,000	1.01
Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	96,110	1.27	96,110	0.92
<b>Total (B)</b>	<b>49,80,100</b>	<b>66.01</b>	<b>49,80,100</b>	<b>47.77</b>
<b>Grand Total (A+B)</b>	<b>75,44,005</b>	<b>100.00</b>	<b>75,44,005</b>	<b>72.37</b>

M. Other details of shareholding of our Company

(a) Set forth below is the list of shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre Issue Paid-up Capital
1	Om Prakash Mangal	14,70,000	19.49
2	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	14,70,000	19.49
3	Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	13,04,555	17.29
4	Sanjay Prakash Mangal	10,85,155	14.38
5	Radhika Mangal	10,24,435	13.58
6	Dimple Mangal	7,70,000	10.21

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre Issue Paid-up Capital
7	Om Prakash Mangal Karta of HUF Omprakash Sanjayprakash HUF	2,10,000	2.78
8	Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	1,05,000	1.39
9	Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	96,110	1.27
	<b>Total</b>	<b>75,35,255</b>	<b>99.88</b>

(b) Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares	% of then Pre Issue Paid-up Capital
1	Dimple Mangal	4,20,000	19.49
2	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	4,20,000	19.49
3	Om Prakash Mangal	4,20,000	19.49
4	Sanjay Prakash Mangal	4,19,920	19.48
5	Radhika Mangal	1,72,730	8.01
6	Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	1,72,730	8.01
7	Om Prakash Mangal Karta of HUF Omprakash Sanjayprakash HUF	60,000	2.78
8	Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	39,960	1.85
9	Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	30,000	1.39
	<b>Total</b>	<b>21,55,340</b>	<b>99.99</b>

(c) List of shareholders holding 1% or more of the paid-up capital of our Company 1 (One) year prior to the date of filing of this Prospectus, are as follows:

Sr. No.	Name of shareholder	No. of Equity Shares	% of then Pre Issue Paid-up Capital
1	Sanjay Prakash Mangal	10,85,155	14.38
2	Dimple Mangal	7,70,000	10.21
3	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	14,70,000	19.49
4	Om Prakash Mangal	14,70,000	19.49
5	Radhika Mangal	10,24,435	13.58
6	Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	13,04,555	17.29
7	Om Prakash Mangal Karta of HUF Om Prakash Sanjay Prakash HUF	2,10,000	2.78
8	Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	1,05,000	1.39
9	Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	96,110	1.27
	<b>Total</b>	<b>75,35,255</b>	<b>99.88</b>

(d) Set forth below is a list of shareholders holding 1% or more of the paid-up share capital of our Company as of ten days prior to the date of this Prospectus:

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre Issue Paid-up Capital
1	Om Prakash Mangal	14,70,000	19.49
2	Master Vedant Mangal (Through F & N G Sanjay Prakash Mangal)	14,70,000	19.49
3	Priyata Mangal (Through F & N G Sanjay Prakash Mangal)	13,04,555	17.29
4	Sanjay Prakash Mangal	10,85,155	14.38
5	Radhika Mangal	10,24,435	13.58
6	Dimple Mangal	7,70,000	10.21
7	Om Prakash Mangal Karta of HUF Om Prakash Sanjay Prakash HUF	2,10,000	2.78
8	Om Prakash Mangal Karta of HUF O.P.S.P Mangal HUF	1,05,000	1.39
9	Sanjay Prakash Mangal Karta of HUF Sanjay Prakash HUF	96,110	1.27
	<b>Total</b>	<b>75,35,255</b>	<b>99.88</b>

N. The average cost of acquisition of or subscription of 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* (Rs. Per share)
1.	Sanjay Prakash Mangal	10,85,155	5.05
2.	Om Prakash Mangal	14,70,000	9.49
3.	Santosh Narayan Nambiar	8,750	22.00

\*As certified by our Statutory Auditor vide their certificate dated August 14, 2019.

O. Shareholding of our Directors and Key Managerial Personnel in our Company

None of our Directors and Key Managerial Personnel hold any Equity Shares other than as set out below as on date of this Prospectus:

Name of the Directors/KMPs	No. of Shares held	% of Pre Issue paid up Equity Shares Capital
Sanjay Prakash Mangal	10,85,155	14.38
Om Prakash Mangal	14,70,000	19.49
Santosh Narayan Nambiar	8,750	0.12

P. None of our Promoter Group, Directors and their relatives has 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 this Prospectus.

Q. Neither, we nor our Directors and the Lead Manager to this Issue have entered into any buy-back and/or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

R. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.

S. As on the date of this Prospectus, the entire Issued, Subscribed and Paid up Share Capital of our Company is fully paid up.



- T. Our Company has not raised any bridge loan against the proceeds of the Issue.
- U. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
- V. As on the date of this Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
- W. The Lead Manager i.e. Hem Securities Ltd. and its associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus.
- X. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.
- Y. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
- Z. There has been no purchase or sell of Equity Shares by Promoter Group, our Directors and relatives of our Directors during a period of six months preceding the date on which this Prospectus is filed with National Stock Exchange of India Limited.
- AA. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
- BB. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
- CC. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
- DD. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
- EE. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the Net Issue to the public portion.
- FF. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- GG. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.

- HH. As on the date of this Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
- II. There are no Equity Shares against which depository receipts have been issued.
- JJ. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of this Prospectus.
- KK. We have 13 (Thirteen) Shareholders as on the date of filing of this Prospectus.
- LL. There are no safety net arrangements for this Issue.
- MM. Our Promoters and Promoter Group will not participate in this Issue.
- NN. This Issue is being made through Fixed Price method.
- OO. Except as disclosed in this Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of this Prospectus.
- PP. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
- QQ. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filing of this Prospectus with the NSE and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.
- RR. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- SS. As per RBI regulations, OCB's are not allowed to participate in the Issue.
- TT. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

**OBJECTS OF THE ISSUE**

The Issue includes a Fresh Issue of 28,80,000 Equity Shares of our Company at an Issue Price of Rs 40 per Equity Share.

**The Fresh Issue**

Our Company intends to utilize the Issue Proceeds towards the following objects:

- To Meet Working Capital Requirements;
- General Corporate Purpose; and
- To Meet the Issue Expenses.

(Collectively referred as the “**Objects**”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of NSE (“**NSE Emerge**”). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause as set out in the Memorandum of Association (MOA) enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

**Net Proceeds**

The details of the Net Proceeds are set forth below:

<b>Particulars</b>	<b>Amount (Rs. in Lakhs)</b>
Gross Proceeds of Issue	1152.00
Less: Issue Related Expenses	59.77
<b>Net Issue Proceeds</b>	<b>1092.23</b>

**Requirement of Funds and Utilization of Issue Proceeds:**

The Issue proceeds are proposed to be used in accordance with the details as set forth below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (Rs. in Lakhs)</b>
1.	To Meet Working Capital Requirements	822.23
2.	General Corporate Purpose	270.00
3.	To Meet the Issue Expenses	59.77
	<b>Total</b>	<b>1152.00</b>

**Means of Finance:**

We intend to finance our Objects of Issue through Net Issue Proceeds which is as follows:

Particulars	Amount (Rs. in Lakhs)
Net Issue Proceeds	1092.23
<b>Total</b>	<b>1092.23</b>

*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 230(1)(e) of the SEBI (ICDR) Regulations, 2018 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 utilised for repayment of any Part of unsecured loan outstanding as on the date of this Prospectus.

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 25.

**Details of use of Issue Proceeds:**

**1. To meet Working Capital requirements**

Our business is working capital intensive. The Company will meet the requirement to the extent of Rs. 822.23 Lakhs from the Net Issue Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirements.

Details of Estimation of Working Capital requirements are as follows:

(Amount Rs. in Lakhs)

Sr. No.	Particulars	Actual (Restated)	Actual (Restated)	Estimated
		31-March-18	31-March-19	31-March-20
I	<b>Current Assets</b>			
	Current Investments	-	-	-
	Inventories	984.62	1048.05	1240.36
	Trade receivables	1338.51	2210.86	3097.58
	Cash and cash equivalents	7.06	43.22	238.35
	Short Term Loans and Advances	450.05	360.90	498.15
	<b>Total(A)</b>	<b>2780.24</b>	<b>3663.03</b>	<b>5074.44</b>
II	<b>Current Liabilities</b>			
	Trade payables	246.30	770.54	513.20
	Short Term Provisions	23.46	8.71	127.46
	Other Current Liabilities	8.22	9.92	11.07
	<b>Total (B)</b>	<b>277.98</b>	<b>789.17</b>	<b>651.73</b>
III	<b>Total Working Capital Gap (A-B)</b>	<b>2502.26</b>	<b>2873.86</b>	<b>4422.71</b>
IV	<b>Funding Pattern</b>			
	Borrowings & Internal Accruals	2502.26	2873.86	3600.48
	<b>IPO Proceeds</b>			<b>822.23</b>

**Justification:**

Particulars	Holding Period
<b>Trade receivables</b>	We have assumed Debtors Holding days to be around 90 days for FY 2019-20 as compared to 67 days in FY 2018-19. Our management is expecting an increase in revenue by 11.74% for the year ended March 31, 2020 which tends to increase the Debtors at a point of time. Such increase in average debtors also tends to reduce the number of times of rotation of debtors which ultimately increase the holding days. Trade receivables are based on average standard payment terms across our customers. Our general credit terms vary across geographies, type of customer & competition we face from competitors for the respective type of customer. Till last year due to our constant efforts and favourable market condition we have been realising debtors within 67 days. But in coming years looking to the market sluggishness and other factors we are projecting the debtors will be realised within the given credit term only.
<b>Trade Payables*</b>	We have assumed Creditors payment period to be around 24 days for FY 2019-20 as compared to 21 days in FY 2018-19 based on trend in Creditors payment period.
<b>Inventories**</b>	<b>Raw materials-</b> We have assumed raw material Inventory period of 36 days for FY 2019-20 as against 35 days for FY 2018-19. <b>Finished Goods-</b> We have assumed finished goods inventory of 8 days for FY 2019-20 as against 9 days for FY 2018-19. Our inventories are significant and are expected to grow in line with the growth in our business.

\*The trade payables are calculated taking into account the sundry creditors of materials only.

\*\*Inventories are calculated by inventories/total sales\*365

## 2. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the Net Issue proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Issue proceeds aggregating Rs. 270.00 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Issue Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

## 3. Public Issue Expenses

The total estimated Issue Expenses are Rs. 59.77 Lakhs, which is 5.19% of the total Issue Size. The details of the Issue Expenses are tabulated below:

Activity	(Rs in Lakhs)*	As a % of Estimated Issue Expenses	As a % of Issue Size
Lead Manager Fees	24.00	40.15	2.08
Underwriting, Selling and Marketing Fees	2.00	3.35	0.17
Processing fees payable to the Sponsor Bank #	1.00	1.67	0.09
Fees payable to Registrar to the Issue	0.50	0.84	0.04
Fees payable to Legal Advisor	2.50	4.18	0.22
Fees payable to Advertising and marketing expenses	2.00	3.35	0.17
Fees payable to Regulators including stock exchange	5.66	9.48	0.49
Fees payable for Printing & Stationery, Distribution, Postage, etc	3.00	5.02	0.26
Others (Fees payable to Auditor, brokerage*, Processing Fees for Application and Miscellaneous Expenses)	19.11	31.97	1.66
<b>Total</b>	<b>59.77</b>	<b>100.00</b>	<b>5.19</b>

\*Included Commission/ processing fees of Rs. 15 per valid application forms for SCSB's. In case the total Processing fees payable to SCSBs exceeds Rs. 1.00 Lakhs, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total processing fees payable does not exceed Rs. 1.00 Lakhs.

#Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs.1.00 Lakhs (plus GST) for processing the Application Forms submitted to them.

## Proposed Schedule of Implementation

Our Company plans to deploy the funds towards the above stated Objects during FY 2020, depending upon various factors including the actual timing of the completion of the Issue and the receipt of the Net Proceeds. In the event that estimated utilization out of the funds in any given financial year is not completely met, the same

shall be utilized in the next financial year. The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

Sr. No.	Particulars	Amount (Rs. in Lakhs)
1.	To Meet Working Capital Requirements	822.23
2.	General Corporate Purpose	270.00
	<b>Total</b>	<b>1092.23</b>

#### **Funds Deployed and Source of Funds Deployed:**

Our Statutory Auditors, M/s Kedia & Kedia Associates, Chartered Accountants vide their certificate dated December 04, 2019 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (Rs. in Lakhs)
Issue Expenses	21.47
<b>Total</b>	<b>21.47</b>

#### **Sources of Financing for the Funds Deployed:**

Our Statutory Auditors, M/s Kedia & Kedia Associates, Chartered Accountants vide their certificate dated December 04, 2019 have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (Rs. in Lakhs)
Internal Accruals	21.47
<b>Total</b>	<b>21.47</b>

#### **Appraisal**

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

#### **Shortfall of funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and/or unsecured Loans.

#### **Bridge Financing Facilities**

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

**Monitoring Utilization of Funds**

As the size of the Issue will not exceed Rs. 10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262 of the SEBI (ICDR) Regulations, 2018. Our Board and the management will monitor the utilization of the Net Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI (LODR) Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full.

**Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

**Variation in Objects**

In accordance with Section 13(8) and 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 Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**Other confirmations**

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



### BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the section titled “Financial information of the Company” beginning on pages 25,108 and 156 respectively including important profitability and return ratios, as set out in the Financial Information of the Company beginning on page 156 to have a more informed view. The issue price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

#### A. QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- Focus on Quality & Innovation
- Experienced Promoters and Management
- Technical Assistance to Customers
- Locational Advantage
- Established Relationship with Clients

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled “Our Business” beginning on page 108.

#### B. QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer chapter titled “Financial Information of the Company” beginning on page 156.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

#### 1. Basic & Diluted Earnings per Share (EPS) (Face value of Rs. 10 each), as adjusted for change in Capital:

Sr. No.	Period	Basic & Diluted EPS (in Rs.)	Weights
1.	FY 2018-19	3.76	3
2.	FY 2017-18	3.07	2
3.	FY 2016-17	2.84	1
	Weighted Average		3.38
	Period ended September 30, 2019*		2.36

\*Not annualized

#### Notes:

- a) The figures disclosed above are based on the Restated Financial Statements of our Company.
- b) Earnings per share calculations are done in accordance with Accounting Standard 20 - Earnings Per Share (“AS 20”), notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.
- c) The face value of each Equity Share is Rs.10/- each.
- d) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year or periods / Total of weights.

e) *Basic Earnings per Share (in Rupees) = Net profit as restated, attributable to equity shareholders / weighted average number of equity shares*

**2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 40 per Equity Share of face value Rs. 10/- each fully paid up.**

*On the basis of Restated Financials*

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2018-19	10.64
P/E ratio based on the Weighted Average EPS, as restated	11.83

*\*Price Earnings Ratio (P/E) = Issue price/ Earnings per Share (EPS)*

*Peer Group P/E\**

Particulars	P/E
Highest (Mahickra Chemicals Limited)	28.72
Lowest (Camex Ltd)	5.46
Average	13.00

*\* Source for industry P/E: [www.bsesme.com](http://www.bsesme.com) and [www.nseindia.com](http://www.nseindia.com)*

**3. Return on Net Worth (RONW)**

Period	Return on Net Worth (%)	Weights
FY 2018-19	14.53	3
FY 2017-18	13.90	2
FY 2016-17	14.90	1
Weighted Average	14.38	
Period ended September 30, 2019*	8.37	

*\*Not annualized*

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

**4. Net Asset Value (NAV) per Equity Share based on the last Balance Sheet**

Particulars	Amount (in Rs.)
For the period ended September 30, 2019	28.15
NAV after Issue	31.42
Issue Price	40

*Note: Net Asset Value has been calculated as per the following formula:*

*The NAV per Equity Share has been computed by dividing restated networth with total number of equity shares outstanding at the end of the year/period.*

**5. Comparison of Accounting Ratios with Industry Peers**

Sr. No.	Particulars	Face Value (in Rs.)	EPS (in Rs.)	P/E Ratio <sup>(2)</sup>	RONW (%) <sup>(3)</sup>	NAV (in Rs.) <sup>(4)</sup>
1.	Hindprakash Industries Limited <sup>(1)</sup>	10	3.76	10.64	14.53	25.86
	<b>Peer Group</b> *^					
2.	Camex Ltd	10	3.61	5.68	12.04	30.55
3.	Mahickra Chemicals Limited	10	2.87	29.41	13.55	20.83
4.	Shree Pushkar Chemicals & Fertilisers Limited	10	13.32 <sup>(5)</sup>	7.82	14.36	92.57

\* Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

^The figures for the peer group are based on the audited standalone financial statements as on March 31, 2019 available on [www.nseindia.com](http://www.nseindia.com) for Mahickra Chemicals Limited, figures for Camex Ltd are based on audited consolidated financial statements as on March 31, 2019 available on [www.bseindia.com](http://www.bseindia.com) and figures for Shree Pushkar Chemicals & Fertilisers Limited are based on audited consolidated financial statements as on March 31, 2019 available on [www.nseindia.com](http://www.nseindia.com).

**Notes:**

<sup>(1)</sup>The figures for Hindprakash Industries Ltd are based on the restated financial statements for the year ended March 31, 2019.

<sup>(2)</sup> Price Earning (P/E) Ratio of Mahickra Chemicals Limited and Shree Pushkar Chemicals & Fertilisers Limited is computed on closing market price as on January 01, 2020 (as available on [www.nseindia.com](http://www.nseindia.com)) and Price Earning (P/E) Ratio of Camex Limited is computed on closing market price as on January 01, 2020 (as available on [www.bseindia.com](http://www.bseindia.com)).

<sup>(3)</sup>RoNW(%) = Net Profit after tax / Networth at the end of the year

<sup>(4)</sup>NAV = Total Net worth at the end of financial year / Total number of outstanding shares at the end of financial year.

<sup>(5)</sup> Diluted EPS of Shree Pushkar Chemicals & Fertilisers Limited is Rs. 13.25 based on audited consolidated financial statements as on March 31, 2019.

(i)The peer group identified is broadly based on the different product lines that we are into, but their scale of operations is not necessarily comparable to us.

(ii)Considering the nature and size of business of the Company, the peer is not strictly comparable. However, the same has been included for broad comparison.

**6.** The Issue Price of Rs. 40 per share is determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the Lead Manager in view of the above parameters. Investors should read the abovementioned information along with “Our Business”, “Risk Factors” and “Restated Financial Statements” beginning on pages 108, 25 and 156, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.

**STATEMENT OF TAX BENEFITS**

**STATEMENT OF SPECIAL INCOME TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

**THE BOARD OF DIRECTORS,  
HINDPRAKASH INDUSTRIES LIMITED**  
(formerly known as Hindprakash Industries Private Limited/  
Hindprakash Lonsen Industries Private Limited)  
301, Hindprakash House, Plot No.10/6,  
GIDC, Vatva, Ahmedabad - 382445, India

Dear Sirs,

**INITIAL PUBLIC OFFERING / FRESH ISSUE OF EQUITY SHARES**

We refer to the proposed Initial Public Offering/Fresh Issue of Equity Shares of face value Rs. 10 each (“Equity Shares”) of Hindprakash Industries Limited (“the Company”). We enclose herewith the statement showing the current position of special income tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961 (“the Act”), for inclusion in the Draft Offer Document and Offer Document for the proposed fresh issue of Equity Shares. 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 these direct tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated herein are based on the information and explanations obtained from the Company from time to time. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money based on this statement.

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

- The Company or its Equity Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met with; and
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Offer Documents for the fresh issue of Equity Shares which the Company intends to submit to the Securities and Exchange Board of India.

**Limitations**

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of Hindprakash Industries Limited and shall not without our prior written consent, be disclosed to any other person.

Access of all or any part of this Statement by any person is on the basis that, to the fullest extent permitted by law, neither our firm nor any of our associate accepts any duty of care or liability of any kind to such person, and any reliance on this Statement by any person is at his own risk.

This statement has been prepared solely in connection with the Fresh issue of Equity shares by the Company under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirement) Regulations, 2018, as amended.

**For Kedia & Kedia Associates  
Chartered Accountants**

Sd/-

**CA Subodh Kedia**

**Partner**

**Firm Registration No.: 104954W**

**Membership No: 043381**

**Place:** Ahmedabad

**Date:** August 14, 2019

**NOTE ON SPECIAL INCOME TAX BENEFITS AVAILABLE TO HINDPRAKASH INDUSTRIES LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS**

**1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special income tax benefits available to the Company.

**2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

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

**Notes:**

1. The above statement of Income Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax law presently in force in India.
2. 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his or her participation in the issue.
3. We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.

**STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE GOODS AND SERVICES TAX ACT IN INDIA**

**THE BOARD OF DIRECTORS,  
HINDPRAKASH INDUSTRIES LIMITED**

301, Hindprakash House  
Plot No.10/6, GIDC, Vatva,  
Ahmedabad - 382445,  
Gujarat, India.

Dear Sirs,

**Fresh Issue of Equity shares**

We refer to the proposed Fresh Issue of Equity Shares of face value Rs. 10 each (“Equity Shares”) of Hindprakash Industries Limited (“the Company”). We enclose herewith the statement showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Goods and Services Tax Act 2017 (“the Act”), for inclusion in the Draft Offer Document and Offer Document for the proposed fresh issue of Equity Shares. 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 these indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated herein are based on the information and explanations obtained from the Company from time to time. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money based on this statement.

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

- The Company or its Equity Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met with; and
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding the tax benefits available to the Company and to its shareholders in the Offer Documents for the fresh issue of Equity Shares which the Company intends to submit to the Securities and Exchange Board of India.

**Limitations**

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of Hindprakash Industries Limited and shall not without our prior written consent, be disclosed to any other person.

Access of all or any part of this Statement by any person is on the basis that, to the fullest extent permitted by law, neither our firm nor any of our associate accepts any duty of care or liability of any kind to such person, and any reliance on this Statement by any person is at his own risk.

This statement has been prepared solely in connection with the Fresh issue of Equity shares by the Company under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirement) Regulations, 2018, as amended.

Yours faithfully,

**For, Rahil S Shah & Associates**  
**Chartered Accountants**

**CA Rahil Shah**  
**Proprietor**  
**Firm Registration Number: 149171W**  
**Membership No: 184503**

**Place:** Ahmedabad

**Date:** 26<sup>th</sup> August, 2019



**NOTE ON SPECIAL INDIRECT TAX UNDER GOODS AND SERVICES TAX BENEFITS AVAILABLE TO HINDPRAKASH INDUSTRIES LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS**

**1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY**

There are no special indirect tax benefits available to the Company under Goods and Services Tax.

**2. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

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

**Notes:**

1. The above statement of Indirect Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax law presently in force in India.
2. 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his or her participation in the issue.
3. We have not commented on the taxation aspect under any law for the time being in force, as applicable, of any country other than India. Each investor is advised to consult its own tax consultant for taxation in any country other than India.

## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

#### GLOBAL SCENARIO

The global chemicals industry, estimated at US\$ 2.4 trillion, is one of the fastest growing sectors of the manufacturing industry. The industry growth exceeds that of the manufacturing sector, despite the challenges of escalating crude oil prices and demanding international environmental protection standards which are now adopted globally. Pharmaceuticals and petrochemicals are the two biggest segments in chemicals that account for approximately 26 per cent and 35 per cent respectively of the overall industry size. Europe, is the largest consumer of chemicals in the world, accounting for approximately half the global chemical consumption, USA consumes approximately one-fifth. The global chemicals industry is being shaped by the following trends that are impacting business models, processes and product segments of multinational players.

**Globalisation:** The global manufacturing footprint of MNC's is getting transformed, as companies seek to gain proximity to consumer markets, raw material sources, cheaper energy sources and lower tax regime in an effort to drive down costs and safeguard profitability.

**Consolidation:** Mergers and acquisitions are increasingly prevalent and companies seek economies of scale in manufacturing, logistics and R&D and to pave entry into new markets, expanding the global reach.

**Increased environment consciousness:** This is a global phenomenon that is driving the industry to innovate and modernise. Effluent disposal issues have resulted in research into cogeneration and upgradation of technology, having a healthy impact on costs and profitability

(Source: [https://www.ibef.org/download/Inorganic\\_Chemicals\\_170708.pdf](https://www.ibef.org/download/Inorganic_Chemicals_170708.pdf))

#### INDIAN MANUFACTURING INDUSTRY ANALYSIS

The Gross Value Added (GVA) from the manufacturing sector is estimated at US\$ 395.89 billion in FY19. During April-December 2018, GVA from manufacturing at current prices grew 12.4 per cent year-on-year to Rs. 288.56 trillion (US\$ 395.89 billion). During 2017-18, Index of Industrial Production for manufacturing sector grew 4.50 per cent. India's Index of Eight Core Industries advanced 4.3 per cent year-on-year during 2018-2019.

Nikkei Manufacturing sector PMI of India stood at 51.8 in April 2019, signifying improvement in the manufacturing sector. Firms plan to invest more in advertising and expand capacity to grow sales.

The electronic goods industry is one of the fastest growing industries and is expected to be worth US\$ 400 billion by 2020. Government is working on an export-oriented policy for Electronic products. The idea behind this policy is to promote greater exports of electronics and drive larger investments by setting up port-based

electronic manufacturing clusters. Also, in October 2018, Ministry of Electronics and Information Technology had released a draft National Policy on Electronics.

The Government of India has been supportive towards this growth. It set up Electronic Hardware Technology Parks (EHTPs), Special Economic Zones (SEZs) and brought about a favourable climate for Foreign Direct Investment (FDI). The government has also increased liberalisation and relaxed tariffs to promote growth in the sector. In addition, it has given the nod to Modified Special Incentive Package Scheme (MSIPS) under which the central government will be offering up to US\$ 1.7 billion in benefits to the electronics sector in next five years. Under the scheme, subsidy for investment in capital expenditure is provided to the extent of 20 per cent of investment in SEZs and 25 per cent of investment in non-SEZs.

The growing customer base and the increased penetration in consumer durables segment have provided enough scope for the growth of the Indian electronics sector. Also, digitisation of cable could lead to increased broadband penetration in the country and open up new avenues for companies in the electronics industry.

During April-January 2019, GVA from manufacturing at current prices grew 12.8 per cent year-on-year to Rs 28.54 trillion (US\$ 395.56 billion).

India's merchandise exports grew 9.78 per cent year-on-year to US\$ 302.84 billion in 2017-18.

In February 2019, the Union Cabinet passed the National Policy on Electronics (NPE) which has envisaged creation of a US\$ 400 billion electronics manufacturing industry in the country by 2025. 32 per cent growth rate has been targeted globally in next five years.

*(Source: <https://www.ibef.org/industry/manufactur-presentation>)*

## **INDIAN ECONOMIC DEVELOPMENT & GROWTH**

During February 2019, production of eight core infrastructure industries grew by 2.1 per cent year-on-year, as compared to 5.4 per cent growth in February 2018. The growth of eight core industries during April 2018 – February 2019 was 4.3 per cent, same as during the corresponding period of last year.

Overall year-on-year growth in the Index of Industrial Production (IIP) was 0.1 per cent in February 2019, which was at 6.9 per cent in February 2018. During April 2018–February 2019, IIP growth stood at 4.0 per cent year-on-year as compared to growth of 4.3 per cent year-on-year during April 2017–February 2018.

Foreign exchange reserves stood at US\$ 406.67 billion as on March 22, 2019, as compared to US\$ 399.22 billion as on February 22, 2019.

For the fortnight ended on February 15, 2019, Broad money supply (M3) grew by 10.9 per cent year-on-year, compared to 10.2 per cent year-on-year in the corresponding period of the previous year.

Wholesale Price Inflation (WPI) increased to 3.18 per cent in March 2019 from 2.93 per cent in February 2019. Consumer Price Inflation (CPI) as per new series (combined) rose to 2.86 per cent in March 2019 from 2.77 per cent in February 2019.

Two Wheelers sales grew by 6.95 per cent in April-February 2019 over April-February 2018.

Gross Tax Revenue (GTR) collection grew by 7.89 per cent year-on-year to Rs 1,692,110 crore (US\$ 218.73 billion) during April 2018-February 2019.

Second Advance Estimates of Gross Domestic Product (GDP) released by the Central Statistics Office (CSO), estimated the growth rate of GDP at constant (2011-12) market prices for FY 2018-19 at 7.0 per cent.

As per the quarterly estimates, the growth of Gross Domestic Product (GDP) at constant (2011-12) market prices stood at 6.6 per cent, during October-December 2018.

Total Gross Goods and Services Tax (GST) collections grew to Rs 106,577 crore (US\$ 15.26 billion) in March 2019, compared to Rs. 92,167 crore (US\$ 13.20 billion) in March 2018.

As per quarterly estimates, at constant 2011-12 prices, Private Final Consumption Expenditure (PFCE) grew 8.37 per cent year-on-year, Government Final Consumption Expenditure (GFCE) rose 6.48 per cent year-on-year and Gross Fixed Capital Formation increased 10.64 per cent year-on-year during October-December 2018.

Merchandise exports from India grew 9.06 per cent year-on-year to US\$ 331.02 billion and merchandise import rose 8.99 per cent year-on-year to US\$ 507.44 billion during April 2018-March 2019.

Fixed Investment Rate (Share of GFCF to GDP) stood at 28.9 per cent during FY19, compared to 28.6 per cent during the corresponding period of FY18.

Nominal Repo Rate stood at 6.25 per cent as of February 06, 2019, compared to 6.00 per cent as of February 16, 2018.

Bank credit grew 14.5 per cent year-on-year as on February 01, 2019, compared to 10.7 per cent year-on-year as on April 12, 2018.

The Rupee exchange rate (Re/US\$) stood at 71.1540 at the end of February 2019, compared to 71.0333 at the end of January 2019. The Real Effective Exchange Rate (REER) (6-Currency Trade Based Weights with base year 2004-05) stood at 112.76 for February 2019, compared to 113.84 for January 2019.

Current Account Deficit stood at US\$ 16.9 billion (2.5 per cent of GDP) during October-December 2018, compared to US\$ 19.1 billion (2.9 per cent of GDP) during the preceding quarter.

At the end of December 2018, external debt was recorded at US\$ 521.2 billion, compared to US\$ 529.7 billion at the end of March 2018. Out of the total, long-term debt stood at US\$ 417.3 billion, while the remaining US\$ 103.9 billion was short-term debt.

Yield (primary) on the 91-day Treasury Bill reached 6.31 per cent as on April 26, 2019, compared to 6.11 per cent as on April 26, 2018.

**Note:** Conversion rate used as on April 30, 2019: Rs 1 = US\$ 0.0143

*(Source: <https://www.ibef.org/economy/monthly-economic-report>)*

## **INDIAN SCENARIO**

### *World's Chemical Nucleus*

Chemicals industry in India is highly diversified, covering more than 80,000 commercial products. It is broadly classified into Basic chemicals, Specialty chemicals, and Agrochemicals. India's proximity to the Middle East, the world's source of petrochemicals feedstock, makes for economies of scale.

India is a strong global dye supplier, accounting for approximately 16% of the world production of dyestuff and dye intermediates. Chemicals industry in India has been de-licensed except for few hazardous chemicals. Upcoming Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIRs) and Plastic parks will provide state-of-the-art infrastructure for Chemicals and Petrochemicals sector.

- The Indian chemicals industry is projected to reach \$ 304 bn by 2025
- Indian chemicals industry excluding pharmaceutical products) ranks 14th in exports globally
- Demand of chemical products is expected to grow at approximately 9% p.a. over the next 5 years
- Indian chemical industry employs more than 2 mn people

100% FDI is allowed under the automatic route in the chemicals sector (except in the case of certain hazardous chemicals)

### *Industry Scenario*

Market size of the Chemicals industry in India stood at \$ 163 bn in 2017-18.

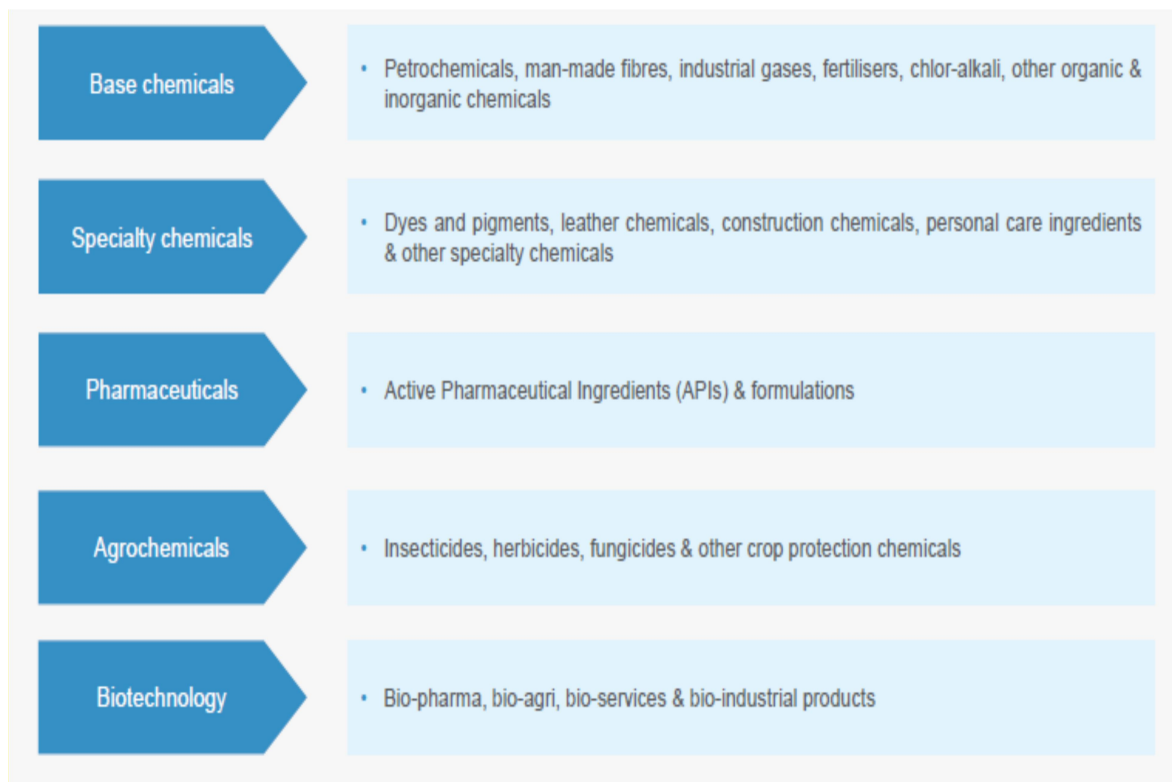
Alkali chemicals had the largest share in the Chemical industry in India with approximately 69% share in the total production. Production of polymers account for around 59% of total production of basic major petrochemicals.

- The petrochemical market in India is expected to grow at a CAGR of 10% over the next 5 years to reach \$ 100 bn by 2022
- The specialty chemicals market has witnessed a growth of 14% in the last five years; the market size is expected to reach \$ 70 bn by 2020



(Source: <https://www.investindia.gov.in/sector/chemicals>)

**Major Segments of the Indian Chemical Industry**



**Product-wise classification of the Indian Chemical Industry**

Alkali chemicals	Inorganic chemicals	Organic chemicals	Pesticides & insecticides	Dyes & dyestuffs
<ul style="list-style-type: none"> <li>Soda ash</li> <li>Caustic soda</li> <li>Liquid</li> <li>Chlorine</li> </ul>	<ul style="list-style-type: none"> <li>Aluminum flouride</li> <li>Calcium carbide</li> <li>Carbon black</li> <li>Potassium chlorate</li> <li>Titanium dioxide</li> <li>Red phosphorus</li> </ul>	<ul style="list-style-type: none"> <li>Acetic acid</li> <li>Acetone</li> <li>Phenol</li> <li>Methanol</li> <li>Ortho Nitro Chlorobenzene (ONCB)</li> <li>Isobutyl</li> <li>Para Nitrochlorobenzene (PNCB)</li> <li>Ethyl</li> <li>Alkyl Amines</li> <li>Acetic Anhydride</li> <li>Formaldehyde</li> </ul>	<ul style="list-style-type: none"> <li>Dichlorodiphenyltri-chloroethane (DDT)</li> <li>Malathion</li> <li>Parathion</li> <li>Ethicon</li> <li>Endosulphan</li> <li>Phosalone</li> <li>Phorate</li> <li>Acephate</li> <li>Fenvalerate</li> </ul>	<ul style="list-style-type: none"> <li>Azo dyes</li> <li>Disperse dyes</li> <li>Fast colour bases</li> <li>Ingrain dyes</li> <li>Napthols</li> <li>Vat dyes</li> <li>Reactive dyes</li> <li>Pigment Emulsion</li> <li>Sulphur dyes</li> <li>Other dyes</li> </ul>

(Source: <https://www.ibef.org/download/Chemicals-April-2017.pdf>)

**INDIAN DYES, CHEMICAL AND AUXILIARIES INDUSTRY**

**Introduction**

Basic chemicals and their related products (petrochemicals, fertilisers, paints, varnishes, glass, perfumes, toiletries, pharmaceuticals, etc.) constitute a significant part of the Indian economy. Among the most diversified industrial sectors, chemicals cover an array of more than 70,000 commercial products.

India is the seventh largest producer of chemicals globally and third largest producer in Asia in terms of output. The country ranks third globally in the production of agro chemicals and contributes around 16 per cent to the global dyestuff and dye intermediates production.

**Key Markets and Export Destinations**

The US, the UAE, the UK, Bangladesh and Saudi Arabia are the leading importers of cosmetics, toiletries and essential oils.

During the period, exports of essential oils, cosmetics and toiletries increased 15 per cent to US\$ 1.80 billion and exports of castor oil stood at US\$ 1.04 billion. Exports of inorganic, organic and agro chemicals stood at US\$ 10.67 billion, an increase of 38 per cent year-on-year.

**Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council**

The promotion of product groups such as dyes and dye intermediates, basic inorganic and organic chemicals, including agro-chemicals, cosmetics, toiletries, essential oils, incense sticks, castor oil and its derivatives, is handled by the Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council, which is popularly known as CHEMEXCIL. The Council organises promotional events and fairs to help exporters identify potential markets abroad and providing publicity and marketing back-up.

### Recent News

The chemical sector is expected to double to US\$ 300 billion by 2025, clocking an annual growth rate of 15-20 per cent. To achieve this, government is working on a draft chemical policy that will focus on meeting the rising demand for chemicals and reduce imports.

Total export for chemicals stood at US\$ 28.38 billion during the year 2017-18 (Provisional).

(Source: <https://www.ibef.org/exports/chemical-industry-india.aspx>)

Chapter No./Panel	2016-17		2017-18		% Increase/ Decreased over previous year		2018-19		% Increase/ Decreased over previous year	
	Qty (MT)	Value Actual	Qty (MT)	Value Actual	Qty (MT)	Value	Qty (MT)	Value Provisional	Qty (MT)	Value
<b>Dyes</b>	398.43	1.92	452.55	2.19	13.58	13.98	488.08	2.54	8.58	16.84
<b>Dye Intermediate</b>	70.20	0.19	70.45	0.21	0.36	14.49	79.80	0.27	13.26	27.59
<b>Inorganic chemicals</b>	1,360.59	0.73	1,796.04	0.98	32.01	34.14	1,622.01	1.07	-9.69	9.91
<b>Organic chemicals</b>	3,211.59	4.84	5,091.82	7.14	58.54	47.44	6,712.75	9.33	31.83	30.58
<b>Agro chemicals</b>	378.95	2.14	410.99	2.56	8.46	19.54	462.88	3.16	12.62	23.35
<b>Cosmetics, Toiletries</b>	-	1.45	-	1.66	0	13.83	-	1.67	0	0.95
<b>Essential oils</b>	5.23	0.11	6.88	0.15	31.63	29.99	8.56	0.17	24.4	17.71
<b>Castor oil</b>	599.20	0.67	697.09	1.04	16.34	54.73	619.36	0.88	-11.15	-15.4
<b>Total</b>	<b>6,024.18</b>	<b>12.06</b>	<b>8,525.84</b>	<b>15.93</b>	<b>41.53</b>	<b>32.04</b>	<b>9,993.42</b>	<b>19.09</b>	<b>17.21</b>	<b>19.9</b>

(Source: DGCI&S)

### Chemical industry may reach USD 304 billion by FY25: Report

The country's chemical industry is expected to grow at around 9 per cent per annum to reach USD 304 billion by FY25, from USD 163 billion in FY18, a report said.

The growth is likely to be driven by rising demand in end-use segments for specialty chemicals and petrochemicals intermediates, said the India Chem Strategy report by Tata Strategic group, brought in association with leading industry body Ficci.

The country's chemical industry is one of the fastest growing in the world, currently ranked the third largest in Asia and sixth globally with respect to output after the US, China, Germany, Japan and Korea.

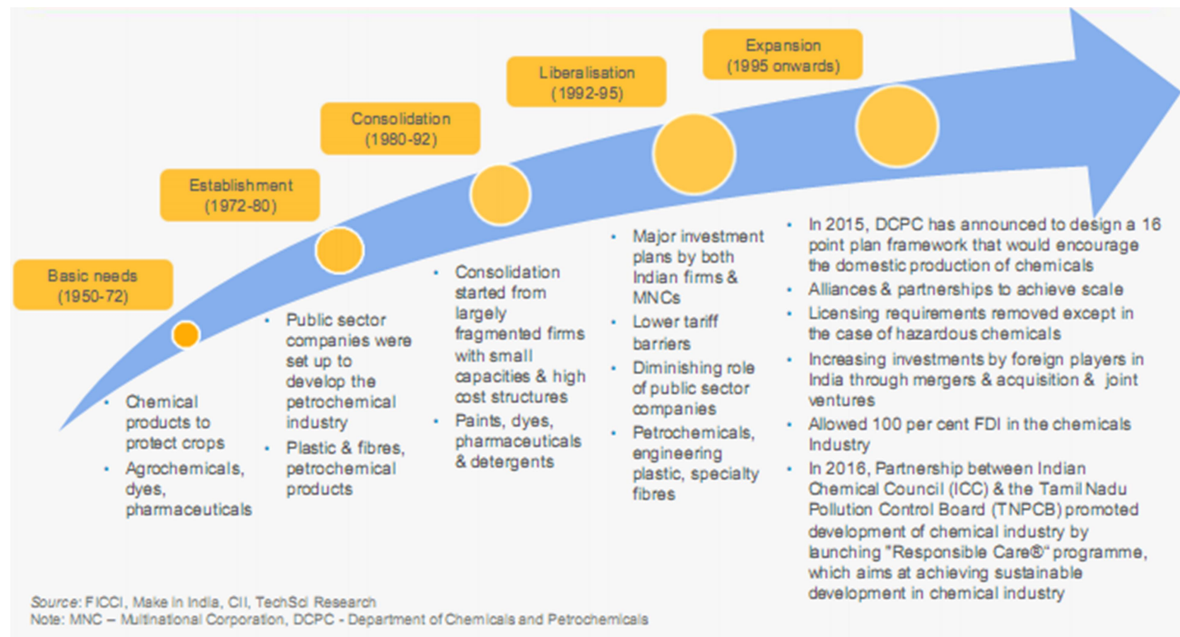


The study said the domestic chemical sector (other than fertiliser) attracted FDI investment of USD 1.3 billion in FY18, which is about 3 per cent of the total FDI inflow.

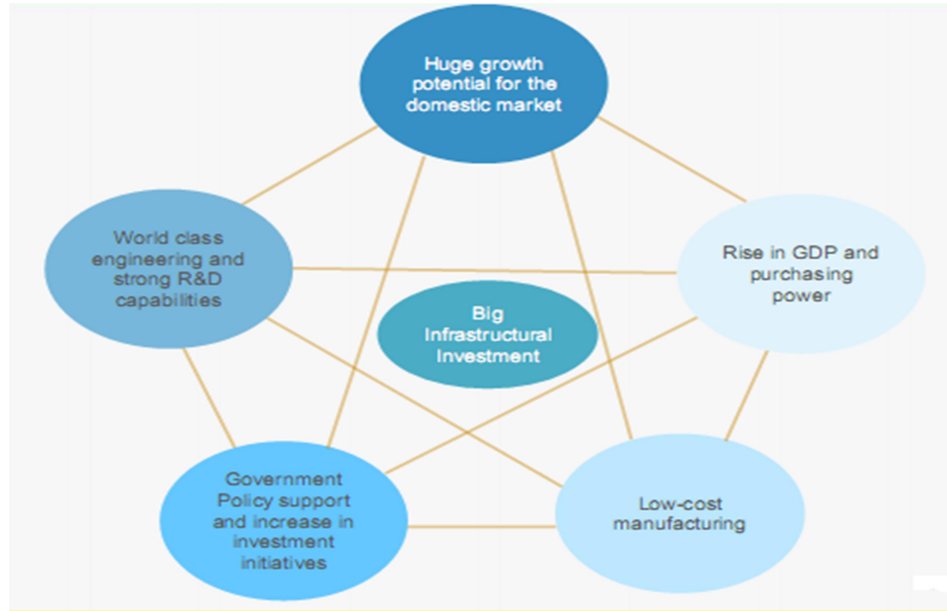
Noting that the domestic chemical industry's growth is largely driven by country's consumption growth story, the report said the per capita consumption of chemicals in the country is 1/10th of world average with India a low consumption country even among developing nations.

(Source : <https://www.ibef.org/news/chemical-industry-may-reach-usd-304-billion-by-fy25-report>)

**Evolution of the Indian Chemical Industry**



**Growth Drivers of the Indian Chemical Industry**



(Source: <https://www.ibef.org>)

***Reason to Invest***

- The Indian Chemical Industry is the 6th largest in the world and 3rd largest in Asia.
- The Chemical Industry in India is expected to reach USD 200 billion by 2020.
- India is also the sixth largest consumer of chemicals in the world.
- Growth Drivers: Innovation, raw material availability, demand growth and low-cost production.
- India has one of the lowest rates of per hour labour cost among major chemical producers.
- India's proximity to the Middle East, the world's source of petrochemicals feedstock, enables India to gain advantage from economies of scale.
- Strong government support for R & D.
- Polymers and agro-chemicals industries in India present immense growth opportunities.
- 100% FDI is permitted through automatic route. Additionally, chemicals sector is delicensed except for few hazardous chemicals.

***Investment Opportunities***

**Agro-Chemicals:**

- The Indian agrochemical industry is worth USD 4.9 billion, and around 50% of it is export oriented.
- India is the fourth largest producer of agrochemicals after US, Japan and China.

**Specialty Chemicals:**

- The Indian Specialty Chemicals industry is worth USD 28 billion, and accounts for nearly 20% of the total chemical industry.
- Indian specialty chemicals grew at a CAGR of 14% over FY10-FY15 and slated to grow 13% over FY15-FY20.
- Indian specialty chemical is expected to account for 5% of Global Specialty Chemicals by 2020.

**Colourant Chemicals:**

- The Indian colourant industry registered a growth rate of 10% over the period FY 2010-15 and is expected to grow at a rate of 11% over the period FY 2015-20.
- For the FY 15, the size of the Indian colourant industry stood at USD 5400 million. This is poised to increase to USD 9100 million by FY 20.

*(Source: <http://www.makeinindia.com/sector/chemicals>)*

**PETROLEUM, CHEMICALS AND PETROCHEMICAL INVESTMENT REGIONS (PCPIRS)**

The Government of India has conceptualized PCPIRs as clusters that provide investors with a transparent and investment friendly policy and facility regime. PCPIRs have high-class infrastructure and provide a competitive environment conducive for setting up businesses.

Each PCPIR is a specifically delineated region spread over an area of about 250 sq. km. These areas will have manufacturing facilities, along with associated logistics and other services. The required infrastructure along

with a non-processing area will be developed, to include residential, commercial and other social and institutional infrastructure.

The minimum processing area for the PCPIR will be about 40% of the total designated area, i.e., around 100 sq. km.

The Ministry of Chemicals & Petrochemicals has set up four PCPIRs in Dahej (Gujarat), Vishakhapatnam-Kakinada (Andhra Pradesh), Paradeep (Odisha), and Cuddalore and Nagapattinam (Tamil Nadu).

The projected investment on full realisation of PCPIRs is US\$ 1091.4 bn.

As of November 2018, investments worth US\$ 261.8 bn have been and committed and more than 300,000 persons have been employed in direct and indirect activities related to PCPIRs.

*(Source: <http://www.makeinindia.com/sector/chemicals>)*

### ***Promotional Activities & Major Events***

#### **India Chem 2018**

The 10<sup>th</sup> edition of India Chem 2018, would be organised during 4-6<sup>th</sup> October 2018 at Bombay Exhibition Centre, Mumbai Jointly by the Department of Chemicals and Petrochemicals and FICCI.

Chemical Industry in India is a diversified industry, Covering more than 80,000 commercial products. The chemical industry is the mainstay of industrial and agricultural development of the country and provides building blocks for several downstream industries such as textiles, papers, paints, soaps, detergents, pharmaceuticals, vanish etc.

The most important objective behind organising the India Chem series is to highlight the investment possibilities in the country's chemical industry and give a fillip to "Make in India" initiative of the Government of India. Leading companies from all over the world predominantly from Iran, China, Japan, United Kingdom, Spain, USA, Germany, Italy, Brazil, Turkey and South East Asian countries are participating as exhibitors, delegates and visitors.

With initiatives like "Make in India" program gaining steam, investments, innovation and infrastructure are going to be major thrust areas for chemical Industry. GST reform will also give boost to the chemical industry by lowering the transaction cost and avoiding cascading effect on the taxes. The initiatives like setting up a full functional Single Window System for clearances (SWIFT), reforming labour laws, easing the land acquisition rules coupled with "Make in India" and GST, are expected to propel Indian chemical industry forward.

#### **Highlights of India Chem:**

- International participation from China, Japan, Iran, Germany, Turkey, Vietnam are expected
- Participation of PCPIR States: Gujarat, Andhra Pradesh & Odisha
- Buyers Delegation from South America, USA, CIS, West Europe, Middle East and South East Asian Countries and many more to join.
- Over 20,000 Business visitors from India and Abroad expected
- Over 300 Indian and International Exhibitors expected
- Buyer Seller meet by CHEMEXCIL
- Over 30 top CEOs from India and abroad will be deliberating at international Conference
- Make in India Pavilion.

An Interaction Session Cum Workshop with Delegates from Chemicals & Petrochemicals Industry association was held under the chairmanship of Secretary (C&PC) on 07.11.2017 at hotel Samrat, New Delhi. Interaction Session and Workshop has been organised to have views of industry and Industry associations on several issues which are affecting the sector and also to deliberate on the initiatives which should be taken for its sustained growth. The workshop was held in 3 Sessions and issues relating to draft National Chemical Policy, Environmental regulation including health, safety and security aspects and FTA and Pre-Budget proposals were discussed in different Sessions. Representatives from various Chemical and Petrochemical Industry Association; Indian Institute of Foreign Trade; Department of Commerce; Ministry of Environment and Forest & Climate Change and Central Pollution Control Board actively participated in the event.

*(Source: [https://static.investindia.gov.in/s3fs-public/Ministry%20of%20Chemicals%20and%20Fertilizers%20-%20Annual%20Report%202017-18\\_0.pdf](https://static.investindia.gov.in/s3fs-public/Ministry%20of%20Chemicals%20and%20Fertilizers%20-%20Annual%20Report%202017-18_0.pdf))*

## OUR BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion & Analysis of Financial Condition and Results of Operations” and “Financial Information of the Company” beginning on pages 25, 202 and 156 respectively of this Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated financial statements. Further, all references to “Hindprakash”, “Hindprakash Industries Limited”, ‘the Company’, ‘our Company’ and the terms ‘we’, ‘us’ and ‘our’, are to “Hindprakash Industries Limited.”*

### Overview

Our Company is engaged in the manufacturing and trading of Dyes, Auxiliaries, Intermediates and Chemicals. We started our manufacturing unit in the year 2008 to produce Disperse Dyes, Reactive Dyes and Textile auxiliaries for catering the needs of domestic textile industry. Our Company has achieved a steady growth in productivity and has expanded its range of products from dyes to auxiliaries to speciality chemicals. We believe that our expertise in chemical manufacturing has enabled us to expeditiously increase our production capacity and expand into new value added products. With our wide range of products, we cater to various industries viz. Dyestuff and Dye intermediates, Textiles, Construction Chemicals, Speciality Chemicals etc.

Our Company is located at Vatva i.e. in the heart of Gujarat Industrial Development Corporation, an Industrial Estate for manufacturing, blending and formulation of dyes, auxiliaries & intermediaries. The Estate has common effluent treatment plant of which most of the units in the estate are members apart from having their own environmental treatment facilities.

Our Company is promoted by Mr. Sanjay Prakash Mangal, Mr. Om Prakash Mangal and Mr. Santosh Narayan Nambiar. With decades of experience in this industry, our Promoters along with the team of management are actively involved in the day to day affairs of our company’s operations adding valuable knowledge and experience required for sustainable growth.

2011	The company started manufacturing and marketing of Reactive Dyes under the brand name ‘HINDACTIVE’.
2014	Added the next range of specialty dyes by manufacturing of White R Liquid for polyester fabric
2016	Our technical experts developed the new product for replacement of Sodium Hydro Sulphite.
2017	The expansion added new line of Solvents, Monomers and Acids from bulk to retail business.

Our Company started its operations with an aim to become a leader & frontrunner in dyes & chemical industry by providing the best and innovative quality products. Keeping quality and precision as the benchmark for any operation, Hindprakash hails to become one of the sought after dyes & chemical manufacturing company offering good products at reasonable price. Quality and Advancement are the mainstay of our Company which has brought us this far in this industry. From humble beginnings, our Company has integrated all its manufacturing activities to achieve operational efficiency and has achieved a good position in chemical industry in a short span. We also boast to have a separate laboratory in our manufacturing unit, to check the quality thoroughly before dispatching any material to its clients. Our presence in the business for more than a decade have aided us to create a brand image coupled with the industry experience we possess and we aim to continue to further strengthen our brand by supplying qualitative products at competitive prices across the globe.

**PLANT AND MACHINERY**

For its business operations, our Company has various machineries and equipments such as Reaction Vessels, Ribben Blenders, Sand Mills, Air Compressor, Storage Tank, Measure Tank, Stirrers, Dyes Packaging Shrinking Machine/Box Wrapping Machine, and Weighing Scale.

We have one quality control laboratory in our factory premises for dyestuffs, Intermediates and auxiliaries and technical services. The consistency in quality for all our supplies is our main goal. We follow all laid down test procedures and testing methods agreed with by our customers. The laboratory is equipped with the equipments such as spectrophotometer, soft overflow dyeing machine, automatic lab jigger, lab winch for dyeing, high temperature ager, crock meter, Brookfield viscometer, perspirometer, HPHT dyeing machine, rotadyer, padding mangle and colour fastness equipment for testing of range of dyestuff. For intermediaries and auxiliaries testing, the lab is equipped with Karl Fischer for moisture testing.



**In-house Laboratory**



**Packing & Lamination**



**Blender**



**Blender**



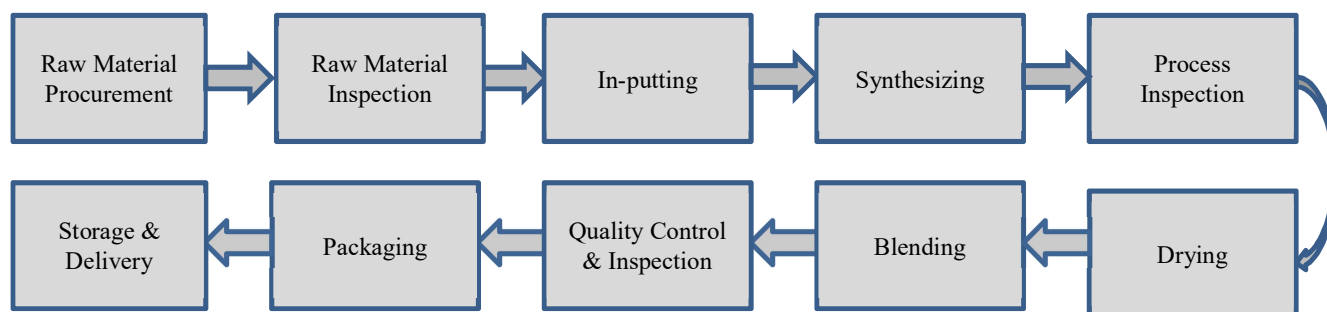
Mixers



Sand Mill

### OUR MANUFACTURING PROCESS

The Manufacturing of dyes, auxiliaries & chemicals require various processes to obtain final product. The major steps include:



The major steps include the following processes:

1. **Raw Material Procurement:** We intend to maintain an optimum level of inventory. In order to achieve this, we plan and forecast our productions and accordingly the order for raw material is placed. Our production team and sales team are in constant co-ordination which helps us decide the re-ordering quantity and level. Further, our technical team ensures that the raw materials we procure are meeting the quality standards. We procure raw material from local suppliers as well as from out of India (Import) as per the requirement. We do not enter in any long term contract with suppliers, the orders are placed depending on the requirement.
2. **Raw Material Inspection:** Materials inspection prior to processing aims to identify the characteristics accurately. The inspection team of our company inspects materials thoroughly according to our inspection standards.
3. **In-putting:** Appropriate mixes of materials are put according to the synthesizing recipe. Meters, measuring instruments & apparatus are regularly inspected and corrected according to the quality control – management procedure manual so as to minimize errors.
4. **Synthesizing:** To maintain the optimum reaction conditions at every reaction stage, the production team controls the whole synthesizing process according to the procedure manual. Synthesis is the process in which all the elements of the dye and auxiliaries are mixed together with required technical and chemical criteria.
5. **Process Inspection:** To maintain the primary product after mixing in best quality, the in-house inspection team with requisite technical expertise in the quality-management department makes strict inspections of important items and assesses them to determine whether they are good enough for further processing.



6. **Drying:** In the spray drying process, moisture from the dye is evaporated through heating while the powder form of dye is separated and collected in a separate tank. Spray-drying machines are usually large in size where heating and the entire process of separating dye is continuously followed.
7. **Blending:** The skilled technicians of production team sort out good and homogeneous materials by grouping and use them for manufacturing into products so as to result in the optimum matching & combinations.
8. **Quality Control & Inspection:** The inspection team of the quality management department collects samples from all manufactured items in lots to compare with the standard samples through the spectrophotometer and dyeing test, and thereby in case their coloring, penetration, fastness, strength, solubility etc. fall within the minimum allowable limits of error, the manufactured items shall be allowed to be packaged as final products.
9. **Packaging:** We have in-house packing facility. Once the product meets all the required quality criteria, they are packed into baggage like container, cartons and boxes as per the requirement of the customer. Drums are used for the liquid products and bags & cartons are used for the products in powdered form. Packaging is done keeping in mind the safety of the product and at the same time ensures its leakages into open environment.
10. **Storage & Delivery:** After proper packaging as per the customer's order, they are either directly loaded into trucks for shipment or they are stored in the warehouse inside the premises itself. Necessary care is taken to avoid any defect in the product.

The supply of products depends on the customers approaching us or vice-versa. The supply of products is dependent on receiving orders through references, telephonic inquiries, advertisements in the chemical / dyestuff magazines. The customers also use the web portal for their requirements and we follow up for all inquiries received from them. Post which we deliver the products through our third party transportation.

We have two warehouses, these warehouses are equipped with conveyor lifts, fork lifts, etc. so as to facilitate smooth and proper movement of the goods as well as stuffing and de-stuffing of the containers directly in and from our owned warehouses. These warehouses are situated in the factory itself and we have the benefit of round the clock transportation facilities. The finished goods and raw material are stored in warehouses which are properly maintained for storage facility and have no effects of rains and any adverse environment conditions. The goods stored are used for self-consumption as well as used in our trading activities. Therefore these warehouses can also be called as the backbone of our trading business.

#### **COLLABORATIONS/TIE UPS OR JOINT VENTURE**

As on the date of this Prospectus, our Company has not entered into any technical or other collaboration or tie ups or Joint Venture.

#### **UTILITIES & INFRASTRUCTURE FACILITIES**

Our Company is located at Ahmedabad, GIDC-Vatva, Gujarat a chemical hub for manufacturing of dyes, chemicals and auxiliaries. Vatva GIDC is fully developed with RCC roads, storm water drainage, street lights and also having a common effluent treatment plant which makes GIDC and the factories inside to avail the clearance of pollution control board.

**RCC Roads**

The Vatva GIDC is connected with internal RCC road network consists of single lane, Double lane & 4 lane to meet the transport requirements of member industries. Vatva GIDC has developed this network and is maintained by them.

- High Quality RCC roads to take heavy loads
- Street light on all main and internal roads
- Tree plantation on all main and internal roads
- Parking space

**Storm water drainage**

RCC storm water drain & box culvert at Vatva GIDC with five years maintenance guarantee period.

Vatva GIDC has built a liquid effluent drainage network across the estate to facilitate the members to discharge the treated effluents to the drainage sump. From the sump the treated effluents are pumped to treatment facility and from there the treated effluents are discharged.

Apart from its industrial and commercial growth, our Company is equally committed to environmental protection and constantly takes requisite measures to improve and maintain environmental standards. Team members of Hindprakash also have a prime responsibility and concern to protect environment.

**Infrastructure Facilities**

Our registered office and manufacturing units are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly. It is equipped with requisite utilities and facilities including the following:

**Laboratory, Research and Development**

Our Company believes in customer satisfaction through quality. We have our own process lab which provides the flexibility to improve product quality which leads to cost reduction, better quality for customers and less environmental load. As per the customer's requirement we test the samples in our application lab and provide the products as per the requirement of our customers. Due to this facility, we are able to meet with our customer requirements for quality and competitiveness and offer new products with time.

We have a separate process lab at the factory which is equipped with the equipments such as spectrophotometer, soft overflow dyeing machine, automatic lab jigger, lab winch for dyeing, high temperature ager, crock meter, Brookfield viscometer, perspirometer, HPHT dyeing machine, rotadyer, padding mangle and colour fastness equipment for testing of range of dyestuff. For intermediaries and auxiliaries testing, the lab is equipped with Karl Fischer for moisture testing. Focus of our in-house laboratory on quality maintenance enables us to address our customer needs in a better manner, retaining our existing customers and attract prospective customers.

**Raw Materials**

The Vatva GIDC is connected with national highway and ring road to get the easy access of transportation across the country. The factories situated under GIDC Vatva are capable of supplying the raw materials required for our products. Our Company procures raw materials indigenously as well as imports them. Our key raw material suppliers are Kiri Industries Limited, Lonsen Kiri Chemicals Industries limited, GNFC (Gujarat

***Hindprakash Industries Limited***

Narmada Valley Fertilizers & Chemicals Limited). The key raw materials and products across our segments are set out in the table below:

<b>Dyestuff</b>	<b>Auxiliaries</b>	<b>Chemicals</b>
Dispersing Agent	Formic Acid	AD Print AG-150%
Sodium Sulphate	Sodium Acetate	Thickener HRT
Dedust FN	Lutensol XL-70	Soda ASH Light
Black B Crude	Metro ASH 306	Tri N Butylamine
Blue GSL	Acetic Acid	Sodium Bicarbonate

**Power**

Gujarat state is having sufficient power supply for an industry and our Company meets its power requirements by procuring electricity from Torrent Power Limited.

**Water**

Since inception of the Industrial Estate, Gujarat Industrial Development Corporation (GIDC) is supplying Fresh water to each industrial unit on metering basis. For human consumption adequate water sources are available at the office premises.

**Logistics**

We deliver our finished products in Ahmedabad, other states of India and out of India. Our Company takes various types of third party logistic services required for its own manufacturing units as well as for its buying and selling house, distribution and trading activities. These services include - tracking of containers, timely shipments, facilitating clearing house agents for customers, arrangements of transportation at different points, required warehousing facilities, etc. The delivery within India and out of India is done through third party transportation who we hire on the basis of requirement.

**Manpower**

Vatva GIDC has a well-developed chemical industry base, which can offer ready availability of technical and commercial manpower. We believe that our ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. As on October 31, 2019, we have 44 employees.

The department wise breakup of employees of our Company is mentioned below:

<b>Department</b>	<b>Number of Employees</b>
Finance, Accounting and Legal	5
Human Resources	4
R&D	1
Sales and Marketing	6
IT & Administration	3
Others (Including Labours)	25
<b>Total Employees</b>	<b>44</b>

## OUR PRODUCT PORTFOLIO

	<p><b>COLOURS INTERMEDIATES</b></p> <ul style="list-style-type: none"> <li>• Nephthalene Derivatives</li> <li>• Benzene &amp; Toluene Intermediates</li> <li>• Acid &amp; Alkalies</li> <li>• Solvents</li> </ul>
	<p><b>COLOURS</b></p> <ul style="list-style-type: none"> <li>• Reactive Dyes</li> <li>• Disperse Dyes</li> <li>• Acid Dyes</li> </ul>
	<p><b>TEXTILE</b></p> <ul style="list-style-type: none"> <li>• Auxiliaries &amp; Speciality Chemicals</li> <li>• Dyestuffs &amp; Pigments</li> <li>• Thickeners &amp; Emulsifiers</li> </ul>
	<p><b>WASTE WATER TREATMENT</b></p> <ul style="list-style-type: none"> <li>• PolyDADMAC</li> <li>• Water Decoloring Agent</li> <li>• Polyacrylamide Emulsion</li> <li>• Flocculants</li> </ul>

- **Dyestuff:** Our Company has extensive range of products. All our dyestuff products comply with quality requirements. We offer different variants of dyestuff viz. direct (substantive), disperse & reactive dyes. These dyes have application in textile, leather and paper industries. We manufacture dyes that are mostly used by Textile & Garment industries and are sold after customisation as per orders received from parties. Our major clients in this segment include B R Impex, VAP Chem, Colorband Dyestuff (P) Ltd.

- **Auxiliaries:** Our Company has a wide range of Textile auxiliaries which are designed to offer solutions for the entire textile wet processing chain – spinning/weaving, pre-treatment, dyeing, printing, laundry, finishing and coating. From pre-treatment to finishing we are unique in Textile auxiliaries and provide highest quality products that ensure complete customer satisfaction.

We offer different variants of auxiliaries as the core products viz Anti foaming agents, finishing agents, levelling agents, bleaching, stripping, reducing, detergents, scours, wetting agents fixing & resisting agents & softners. These variants are used captively for manufacturing dyestuff as well as for sales to other dyestuff manufacturers. Our major clients in this segment include Pioneer Technochem, Yash Enterprises, Rajlaxmi Polymers Pvt. Ltd.

- **Chemicals:** We offer variety of basic chemicals, including acetic acid, oleum, Vinyl Acetate Monomer, Butyl Acrylate Monomer and acetanilide. These chemicals are used captively for production of dye intermediates and also have application in various industries such as iron and steel, explosives, organic synthetics, soaps and detergents, and pharmaceuticals. Innovative chemicals from Hindprakash helps to improve the properties of final products and the efficiency of product. Our major clients in this segment include Ambe Harikem Pvt. Ltd., Orbit Overseas, Aadinath Agency.

The trading activity of our Company is dependent upon the orders received from our customers. In case of a bigger order which Company is not able to fulfil out of its existing manufacturing capacity or inventory and in order to meet such demand, the Company gets the differential quantity from the market.

**Bifurcation of Revenue**
*(Amount Rs. in Lakhs)*

Financial Year	Trading		Manufacturing	
	Amount	%	Amount	%
2018-19	1639.26	16.97	8020.94	83.03
2017-18	1891.83	21.72	6816.29	78.28
2016-17	2030.76	23.61	6569.72	76.39
As on September 30, 2019	275.05	5.51	4720.10	94.49

**SALES AND MARKETING**

Our Company employs various methods of promotion, using sales and technical representatives who have expertise in this industry and who possess a good rapport with clients. We also promote through advertising in trade journals and in house magazine. Because of the high standard of quality throughout the industry, sales are often determined by factors other than quality. As an added service, the producer will often assist buyers in determining the most efficient dyeing methods for their products. We cater to both Domestic and International customers.

The single object is to position our Company as one of the top Dyestuff Company in Indian domestic market. We first create customer awareness concerning the offered products and then develop the customer base. The message which we seek to communicate is that it offers best quality products in best value of money.

The first is the website which provides product information. The second marketing method is advertisement placed in numerous textile magazines. In addition, a number of periodicals serve the smaller market segment within the textile industry. Another method is use of printed technical literatures along with shade cards. Additionally, we also use direct marketing to reach consumers, by visiting customers personally, have technical seminars and interaction with customers regularly.

**OUR LOCATIONS**

<b>Registered Office</b>	301, Hindprakash House Plot No.10/6, Phase-I, GIDC, Vatva Ahmedabad, Gujarat-382445, India
<b>Factory</b>	Plot No. A2-114 &115, GIDC, Industrial Estate, Phase-II, Vatva, Ahmedabad
<b>Leasehold Land/Plot</b>	Plot No. T-10 to T-12, Saykha Industrial Estate, GIDC, Ta. Vagra, Dist. Bharuch, Ahmedabad

**OUR COMPETITIVE STRENGTHS**
***Focus on Quality & Innovation***

It is our responsibility towards our society and customers to provide best quality of products. We do not compromise on qualities and provide best qualities of material. Our brand image which is the effort of the industry experience is well received by the market and we shall continue to strengthen our brand by supplying qualitative products at competitive prices across the globe

***Experienced Promoters and Management***

We have a team compeer of a young and dynamic team of experienced, educated personnel and technocrats who are eager to deliver results within time frames. The success of our organisation is the output of team spirit and

ability to accept challenges as a way of life. Our organisation constantly surveyed business opportunities through adopting new strategies, concepts and approaches to provide best products to our customers.

***Technical Assistance to Customers***

Our Company is well equipped with updated amenities and educated staff which supports in fast communication between customers and our technical team who provide customisation services. Hindprakash shares its experience of selecting the actual product as per market trend and suggest customers the product prevailing in the market and also provide support services to market the product as per market standards so that product can be easily approved and penetrate in the market. For example, if the tone and the strength of the product are not as per the market requirement then product will be of no use and nobody will buy even at a low price.

Our marketing concept is to provide technical support services and assistance to our customers. We always share our knowledge with transparency to our customers and provide recipes and customise new shades considering the cost effectiveness of the product. Customer orientation is our key to success and we objectively assessed our customer's needs through contacts and keep a very high order and coverage to satisfy their needs and requirements.

***Locational Advantage***

Being a chemical industry hub, Gujarat provides us access to raw materials, concentration of domestic customers and ability to export our products due to proximity to ports. Reducing cost of production is an inherent activity which our company has been focusing on since its inception. Procuring raw material at a competitive price affects our financial position substantially. We procure almost all of our raw materials mostly from domestic players having their facility/warehouses in close proximity to our manufacturing facility hence reducing the cost of transportation without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials.

***Established Relationship with Clients***

Client relationships are core of our business. We have a history of client retention and derive a significant proportion of our revenues from repeat business (defined as repeat business generated in the preceding fiscal year) built on our successful execution of prior engagements. As a client relationship matures and deepens, we seek to maximise our revenues and profitability by expanding the scope of products offered to that client with the objective of winning more business from our clients, particularly in relation to our more substantive and value-added product offerings. To do this, we take part in client analysis to identify opportunities with our portfolio of existing clients, and use our relevant industry experience to market additional offerings to our clients.

**OUR BUSINESS STRATEGIES**

Our vision is to grow in existing and new markets by providing quality products. We intend to grow and capitalise on the growing demand for our products in India and abroad. In line with this vision, our Company is implementing business strategies with the following key components:

- ***Focus on high value business***

We continuously focus to expand our business through organic and inorganic growth and grow our business operations further through synergistic expansion into related products and integration. We look forward to enter into opportunistic acquisitions, Joint ventures and partnerships that can provide access to technology, capacity, effluent management capabilities and new markets

- **Grow our market share in existing geographies and expand operations to new geographies**

We seek to pursue organic and inorganic growth opportunities to improve integration of our business segments which will enable us to grow our market share in existing as well as new geographies. We exported our products to different countries till now viz. Korea, Egypt, Vietnam etc. and we intend to expand our operations by export to new geographies. Further, closure of several chemical industries in the Chinese markets owing to strict environmental norms imposed by the Chinese government has provided us further access opportunities to the global platform.

- **Improving integration base for speciality chemicals**

The efficiency of our dyestuff segment depends on our integration. We are an established dyestuff player in India and a leading player in the dye intermediates segment of the Indian market. With years of experience, strong integration, global exposure and a competent management, we intend to integrate our model further in this segment.

#### CAPACITY AND CAPACITY UTILIZATION

Our existing installed capacity is of 4000 Metric Tonnes (MT) per annum (p.a) and the production is Approx. 3100 MTPA.

Sr No.	Products	Unit of Measure	Installed capacity for the financial year ended March 31, 2019	Actual Production for the financial year ended March 31, 2019	
				Unit	Percentage(%)
1	Auxiliary	Kg	40,00,000	8,13,290	20.33
2	Dyes	Kg		16,40,740	41.02
3	Intermediate	Kg		32,199	0.80
4	Others	Kg		2,11,993	5.30

#### COMPETITION

Our Industry is fragmented consisting of large established players and small niche players. We believe that our experience in this business and quality assurance will be the key to overcome competition posed by such players. Being in a competitive market, there are number of competitors offering products similar to us. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus, the relative quality and price. Our continued success depends on our ability to compete effectively against our existing and future competitors.

#### Our Top Ten Customers and Vendors

Our top 10 Customers for the period ended September, 2019 are mentioned below:

Sr. No.	Name of Customers	Amount (Rs. in Lakhs)
1.	B R Impex	448.94
2.	Vap Chem	313.68

3.	Ryan Worldwide Pvt Ltd	253.51
4.	Bhatia Colour Co.	216.06
5.	Ilshin Trading Co. Ltd	200.27
6.	Mamta Texdyes Pvt Ltd(Sarigam Br)	188.98
7.	Mohit Dyestuffs Pvt Ltd	178.18
8.	Colorband Dyestuff (P) Ltd	171.41
9.	Sunrise Industries	136.48
10.	Akik Dyechem (Unit-II)	95.09
	<b>Total</b>	<b>2,202.60</b>

Our top 10 Customers for the F.Y. 2018-19 are mentioned below:

Sr. No.	Name of Customers	Amount (Rs. in Lakhs)
1.	B R Impex	1016.31
2.	Ryan Worldwide Pvt Ltd	952.18
3.	Vap Chem	551.42
4.	Colorband Dyestuff (P) Ltd	512.75
5.	Mahalaxmi Chemical	445.12
6.	Pioneer Technochem	352.02
7.	Jagson Industries	317.38
8.	Mohit Dyestuffs Pvt Ltd	257.91
9.	Aditya Synthetic	212.74
10.	Akik Dyechem	194.83
	<b>Total</b>	<b>4,812.66</b>

Our top 10 Vendors for the period ended September, 2019 are mentioned below:

Sr. No.	Name of Vendors	Amount (Rs. in Lakhs)
1.	Kiri Industries Ltd	1,557.61
2.	Dalian Chem I/E Group Co. Ltd	247.10
3.	Kesar Petroproducts Ltd	218.05
4.	Rainbow Marketing	180.86
5.	Sunrise Industries	163.59
6.	M R Enterprise	138.00
7.	Indo Colchem Pvt Ltd	114.16
8.	Starlight Intercontinental PTE Ltd	88.82
9.	Harsiddhy Chemicals	88.27
10.	Shree Krishna Enterprises	41.14
	<b>Total</b>	<b>2,837.60</b>

Our top 10 Vendors for the F.Y. 2018-19 are mentioned below:

Sr. No.	Name of Vendors	Amount (Rs. in Lakhs)
1.	Kiri Industries Ltd	3873.82
2.	Vinmar International Ltd	535.36
3.	Indo Colchem Pvt Ltd	422.87
4.	Raj Chem	228.15
5.	Rainbow Marketing	222.34
6.	Mahalaxmi Chemical	220.86



*Hindprakash Industries Limited*

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7.	Tricon Energy Ltd	182.16
8.	Dalian Chem I/E Group Co. Ltd	140.87
9.	Poly Chem Exports	115.50
10.	Jagson Industries	103.08
	<b>Total</b>	<b>6045.01</b>

## INTELLECTUAL PROPERTY

Sr. No.	Description	Logo	Registration/ License No.	Class	Registration/ Application Date	Status/ Validity
1.	Trademark		1792836	1	March 05, 2009	March 05, 2029
2.	Trademark**		3001198	1	July 03, 2015	July 03, 2025
3.	Trademark**		3001199	2	July 03, 2015	July 03, 2025

\*\* Registered in the name of Mr. Sanjay Prakash Mangal. Further, the Company has entered into a deed of assignment dated September 01, 2019 to use the trademark for a period of 60 months from the date of the Agreement with the Owner.

Domain Registration				
Sr. No.	Domain Name and ID	Sponsoring Registrar	Creation Date	Registration Expiry Date
1.	hindprakash.in	GoDaddy.com, LLC	Registered on :August 08, 2018	August 08, 2028

## INSURANCE

Sr. No.	Name of Policy	Policy No.	Insurance Company	Date of Expiry of the policy	Insured Amount (Rs. in Lakhs)	Premium Amount (Rs. in Lakhs)
1.	Standard Fire and Special Perils	21260011180100000079	The New India Assurance Co. Ltd	March 10, 2020	Stocks and Stocks in process Sum Insured- 100.00	0.11
2.	Burglary Insurance	21260046180100000025	The New India Assurance Co. Ltd	March 10, 2020	Stocks of Dyes and Chemicals. Sum Insured – 100.00	0.13
3.	Burglary Insurance	21260046190100000072	The New India Assurance Co. Ltd	March 15, 2020	Stock of Chemical, Dyes, Intermediates of any type 1400.00	0.03

4.	Standard Fire and Special Perils	21260011190100000171	The New India Assurance Co. Ltd	October 15, 2020	Stocks and stocks in process 1400.00	3.78
5.	Standard Fire and Special Perils	21010011190100001701	The New India Assurance Co. Ltd	October 17, 2020	Plant & Machinery 110.00	0.30
6.	Standard Fire and Special Perils	21010011190100001887	The New India Assurance Co. Ltd	November 21, 2020	Building 146.00	0.10
7.	Standard Fire and Special Perils	21010011190100001886	The New India Assurance Co. Ltd	November 21, 2020	Building 82.00	0.05

**PROPERTIES**

**Leased Properties**

Sr. No.	Address of Property	Details of Agreement	Name of the Seller/Lessor/Licensor	Nature of Property	Status of use of the Property
1.	301, Hindprakash House Plot No.10/6, Phase-I, GIDC, Vatva Ahmedabad, Gujarat-382445. India	<ul style="list-style-type: none"> <li>Lease and License Agreement dated October 01, 2008</li> <li>Renewal of Lease and License Agreement on April 01, 2018</li> <li>Renewal of Lease and License Agreement on December 01, 2018</li> </ul>	Hindprakash Tradelink Private Limited	Rental	Registered Office
2.	Plot No. A2-114, GIDC, Industrial Estate, Phase-II, Vatva, Ahmedabad Area: 1795 Sq. Mt.	Deed of assignment cum conveyance dated August 01, 2009	Hindprakash Tradelink Private Limited	Lease hold Land	Factory
3.	Plot No. A2-115, GIDC, Industrial Estate, Phase-II, Vatva, Ahmedabad Area: 1834 Sq. Mt.	Deed of assignment cum conveyance dated August 31, 2019	Hindprakash Global Private Limited	Lease hold Land	Factory
4.	Plot No. T-10 to T-12, Saykha Industrial Estate, GIDC, Ta. Vagra, Dist. Bharuch, Ahmedabad  Area: 38433.534 Sq. Mt.	Agreement dated March 28, 2019	Gujarat Industrial Development Corporation	Lease hold Land	Plot

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our Company. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional advice. Our Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please refer to the chapter titled “Government and other Approvals” beginning on page 217.*

### **BUSINESS OR TRADE RELATED LAWS**

#### ***The Gujarat Industrial Policy, 2015 (“The Industrial Policy”)***

The Industrial Policy, 2015 aims at making the Gujarat a “Total Business Destination” as a globally competitive and innovative industrial destination that stimulates development and inclusive growth. Some of the primary objective of this policy is to create employment opportunities, to provide proactive support to micro small and medium enterprises, to make Gujarat a Global hub for manufacturing, to create a healthy conducive climate for conducting business and industrial production and to ensure effective implementation of the policies. The Government has introduced various schemes under the policy to fulfil the objective of the Industrial policy.

#### ***The Micro, Small and Medium Enterprises Development Act, 2006***

The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) inter-alia provides for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. The Central Government is empowered to classify by notification, any class of enterprises including inter-alia, a company, a partnership, firm or undertaking by whatever name called, engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951.

### **TAXATION LAWS**

#### ***The Income-tax Act, 1961***

The Income Tax Act, 1961 (“IT Act”) deals with the taxation of individuals, corporates, 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 IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India.

#### ***The Goods and Services Tax (“GST”)***

The GST is applicable on the supply of goods or services as against the present concept of tax on the manufacture and sale of goods or provision of services. It is a destination-based consumption tax. It is dual GST with the Central and State Governments simultaneously levying it on a common tax base. The GST to be levied by the Centre on intra-State supply of goods and / or services is called the Central GST (CGST) and that to be

levied by the States is called the State GST (SGST). An Integrated GST (IGST) is to be levied and collected by the Centre on inter-State supply of goods and services.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN).

There were indirect taxes that were levied and collected by the Central and State Government which are now subsumed under GST. Some of the taxes which were applicable to the Company are as follows:

- Service Tax
- Value Added tax
- The Central Sales Tax
- Excise Duty

***The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Gujarat promulgated this law to structure and formulate the respective professional tax criteria and to collect funds through professional tax. The professional tax is charged on the income of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person.

***The Customs Act, 1962***

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

**LABOUR LAWS**

***Factories Act, 1948***

Factories Act, 1948 ("Factories Act") came into force on April 01, 1949 as amended by the Factories (Amendment) Act, 1987 and extends to the whole of India. Factories Act serves to assist in formulating national policies in India with respect to occupational safety and health in factories and docks in India. It deals with various problems concerning safety, health, efficiency and well-being of the persons at work places. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the preceding 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, but this does not include a mine, or a mobile unit belonging to the armed forces of the union, a railway running shed or a hotel, restaurant or eating place.

***The Employees State Insurance Act, 1948***

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

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

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act) applies to factories employing 20 or more employees and such other establishments and industrial undertakings as notified by the government from time to time. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees' provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

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

The Payment of Gratuity Act, 1972 applies to every shop or establishment within the meaning of any law for the time being in force. Under the Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent on an employee having completed five years of continuous service. An employee in a factory is said to be in 'continuous service' for a certain period notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee'

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

The purpose of Maternity Act 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc. Our Government further amended the Act which is known as 'The Maternity Benefit (Amendment) Act, 2017', effective from March 27, 2017 introducing more benefits for pregnant women in certain establishments.

***The Child Labour (Prohibition and Regulation) Act, 1986***

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time ("Child Labour Act") was enacted to prohibit the engagement of children below the age of 14 years in certain specified occupations and processes and to regulate their conditions of work in certain other employments.

***The Payment of Wages Act, 1936***

Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

***The Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

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

A bonus payment is usually made to employees in addition to their base salary as part of their wages or salary. Pursuant to the Payment of Bonus Act, 1965, as amended (the "Bonus Act"), an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year is eligible to be paid a bonus.

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

The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. This act aims at secure industrial peace and harmony by providing machinery and procedure for the investigation and settlement of industrial disputes by conciliation, arbitration and adjudication machinery which is provided under the statute.

***The Industrial (Development and Regulation) Act, 1951***

In order to provide the Central Government with the means to implement its industrial policies, several legislations have been enacted and amended in response to the changing environment. Out of these several legislations, one of the most important is the Industries (Development and Regulation) Act, 1951 (IDRA) which was enacted in pursuance of the Industrial Policy Resolution, 1948. The Act was formulated for the purpose of development and regulation of industries in India by the Central Government.

***The Equal Remuneration Act, 1976***

Equal Remuneration Act, 1976 was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution. The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Act, the term 'remuneration' means "the basic wage or salary and any additional emoluments whatsoever payable, either in cash or in kind, to a person employed in respect of employment or work done in such employment, if the terms of the contract of employment, express or implied, were fulfilled."

***The Employees' Compensation Act, 1923***



The Employees' Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The Employees' Compensation Act makes every employer liable to pay compensation, if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment.

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

The SHWWA is a legislative act in India that seeks to protect women from sexual harassment at their place of work. The SHWWA has been introduced in 2013 to provide a safe, secure and enabling environment, free from sexual harassment to every woman. Every employer is legally required to comply with the statutory requirements as mentioned in the Act.

**ENVIRONMENTAL LAWS:**

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

The Environment (Protection) Act, 1986 was enacted as a general legislation to safeguard the environment from all sources of pollution by enabling coordination of the activities of the various regulatory agencies concerned. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed.

***The Water (Prevention and Control of pollution) Act, 1981***

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

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

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") has been enacted to provide 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. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

***The Hazardous and Other Wastes (Management, Handling and Transboundary Movement) Rules, 2016***

Hazardous and Other Wastes (Management, Handling and Transboundary Movement) Rules, 2016 came into force from April 04, 2016 superseding the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

Hazardous waste means any waste, which by reason of characteristics, such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger to health, or environment. It comprises the

waste generated during the manufacturing processes of the commercial products such as industries involved in petroleum refining, production of pharmaceuticals, petroleum, paint, aluminium, electronic products etc. Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste.

***The Public Liability Insurance Act, 1991***

The Public Liability Insurance Act, 1991, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. Every owner (in the case of a company, any of its directors, managers, secretaries or other officers who is directly in charge of, and is responsible to the company for the conduct of the business of the company) is obligated to take out, before he starts handling any hazardous substance, one or more insurance policies providing for contracts of insurance thereby he is insured against liability to give relief under the Public Liability Insurance Act.

***National Environmental Policy, 2006***

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. It is a statement of India's commitment to making a positive contribution to international efforts. The National Environment Policy is intended to mainstream environmental concerns in all development activities. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

**INTELLECTUAL PROPERTY RELATED LAWS**

***The Trademarks Act, 1999***

The Indian Law on trademarks is enshrined in the Trade Marks Act, 1999 (the “TM Act”). Under the existing Legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. The TM Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

**STATUTORY AND COMMERCIAL LAWS**

***Indian Stamp Act, 1899***

The Indian Stamp Act of 1899 is an in-force Act of the Government of India for the charging of stamp duty on instruments recording transactions. For the sake of ensuring uniformity of rates of duty with regard to certain instruments of a commercial nature such as bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts, the power to prescribe the rates of duties on such commercial documents is vested with the Union Legislature and the power to reduce, remit or compound such duties on the commercial documents is also vested with the Central Government.

***The Registration Act, 1908***

Registration Act was introduced to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud. Registration lends inviolability and importance to certain classes of documents.

***The Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (hereinafter referred to as the 'T P Act, 1882') was intended to define and amend the existing laws and not to introduce any new principle. It applies only to voluntary transfers. The Act provides a clear, systematic and uniform law for the transfer of immovable property. Transfer of property means an act by which a person conveys the property to one or more persons, or himself and one or more other persons. The act of transfer may be done in the present or for the future. The person may include an individual, company or association or body of individuals, and any kind of property may be transferred, including the transfer of immovable property.

***The Indian Contract Act, 1872***

The Indian Contract Act occupies the most important place in the Commercial Law. Without contract Act, it would have been difficult to carry on trade or any other business activity and in employment law. It is not only the business community which is concerned with the Contract Act, but it affects everybody. The objective of the Contract Act is to ensure that the rights and obligations arising out of a contract are honoured and that legal remedies are made available to those who are affected.

***The Companies Act, 2013***

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

***Competition Act, 2002***

The Competition Act, 2002 aims to anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The prima facie duty of the Competition Commission established under the Act is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade.

***The Information Technology Act, 2000***

The Information Technology Act, 2000 was notified on October 17, 2000. It is the law that deals with cybercrime and electronic commerce in India. The Information Technology Act, 2000 provides legal recognition to the transaction done via an electronic exchange of data and other electronic means of communication or electronic commerce transactions.

***Negotiable Instrument Act, 1881***

Negotiable Instruments Act was enacted to legalize the system by which instruments contemplated by it could pass from hand to hand by negotiation like any other goods. The purpose of the act was to present an orderly and authoritative statement of leading rules of law relating to the negotiable instruments. To achieve the objective of the Act, the legislature thought it proper to make provision in the Act for conferring certain privileges to the mercantile instruments contemplated under it and provide special procedure in case the obligation under the instrument was not discharged

***Foreign Trade (Development & Regulation) Act, 1992***

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

***Foreign Exchange Management Act, 1999 (“The FEMA”) and Rules and Regulations***

Foreign investment in companies is governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”), read with the applicable regulations. The Department of Industrial Policy and Promotion (“DIPP”), Ministry of Commerce and Industry issues “Consolidated FDI Policy” which consolidates the policy framework on Foreign Direct Investment (“FDI”).

**HISTORY AND CERTAIN CORPORATE MATTERS****Brief history of our Company**

Our Company was originally incorporated as Hindprakash Lonsen Industries Private Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated November 11, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to Shareholder's Resolution passed at the Extra Ordinary General Meeting held on February 16, 2018, the name of our Company was changed to Hindprakash Industries Private Limited vide a fresh Certificate of Incorporation dated March 14, 2018 issued by the Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on November 15, 2018 and consequent upon conversion, the name of our Company was changed to Hindprakash Industries Limited vide a fresh certificate of incorporation issued by the Registrar of Companies, Ahmedabad dated November 29, 2018 bearing Corporate Identity Number U24100GJ2008PLC055401.

**Address of the Registered Office****Hindprakash Industries Limited**

301, Hindprakash House, Plot No.10/6, GIDC,

Vatva, Ahmedabad- 382445, Gujarat, India

**Tel. No.:** +91-79-6812 7000-10

**Fax No.:** +91-79 6812 7096

**CIN:** U24100GJ2008PLC055401

**Website:** www.hindprakash.in

**Email:** info@hindprakash.com

**Changes in the Registered Office**

There has been no change in the registered office of our Company since incorporation.

**Major events and milestones of our Company**

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

<b>Year</b>	<b>Details</b>
2008	On November 11, 2008 company got incorporated at Vatva, Ahmedabad and signed this year, a technical agreement with 'LONGSHENG' Group China, to start activities for the purposes of Dry Mixing of Finished Disperse Dyes and sell such mixing disperse dyes in India
2011	The company started manufacturing and marketing of Reactive Dyes under the brand name 'HINDACTIVE'.
2014	Added the next range of specialty dyes by manufacturing of White R Liquid for polyester fabric
2015	Awarded as Best Booth Display in the event organized by Tex-Po
2016	Our technical experts developed the new product for replacement of Sodium Hydro Sulphite.
2017	The expansion added new line of Solvents, Monomers and Acids from bulk to retail business.
2018	Company developed a new identity from the erstwhile name of Hindprakash Lonsen Industries Private Limited to Hindprakash Industries Private Limited
	Conversion of Private Limited Company to Public Limited Company and adoption of new set of Articles of Association as per Companies Act, 2013

2019	Awarded the Certificate of Registration on meeting the Occupational Health and Safety Management System as per the requirements of ISO 45001:2018 for Manufacturing of Dyestuff, Auxiliaries and Basic Chemicals.
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**Strategic Partners**

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

**Financial Partners**

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

**Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in relation to the setting up of our manufacturing facility.

**Defaults or rescheduling of borrowing**

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

**Main Objects of our Company**

The main objects of our Company as contained in our Memorandum of Association are as follows:

To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents, stockiest, suppliers of all classes, kinds, types and nature of chemicals, dyes, dyestuff, intermediates, alkalies, acids, colours, varnishes, coaltar, salts, glues, mineral and water chemicals, pigments and auxiliaries including but without limiting the generality of the foregoing, heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceuticals, drug and medicinal chemicals, allied chemicals and boiling agents for textile, textile processing chemicals, paints cosmetics, pharmaceuticals, paper industries, leather, metals, food, pigments and other industries made from whatever substances including minerals, and to commercialize, distribute, formulate, derive, supervise, supply, import, export, buy, sell, turn to account and to act as broker, wholesaler, retailer, concessionaires, consignor, job worker, franchiser or otherwise to deal in all varieties, characteristics, descriptions, application and uses of synthetic, natural or blended polymer products, polymer intermediates, raw materials, derivatives, mixtures, compounds, constituents, auxiliary, products, by-products, co-products including polybutenes, elastomers, styrene, butadiene, butyle rubbers, ethylene propylene rubbers, thermoplastic elastomers bases on ethylene, propylene, polypropylene, styrene, butadiene, alphas-methyl styrene, isoprene and any combination thereof; petrochemicals like ethylene, isoprene and any combination thereof; petrochemicals like ethylene, propylene, isobutylene, styrene, isoprene, butadiene, methyl ethyl ketones, propylene oxide, methyl tertiary butyle ethers, epichlorohydrin and their derivative including polyols and polyurethanes, acids, alkalies, organic and inorganic salts and chemicals, paraffinic naphthenic, olefinic and aromatic compounds, thermoplastic and thermosetting resins, plastics and their components, plasticizers, adhesives, caprolactam, terephthalic acid and its esters, isophthalic acid and its esters, all forms of synthetic fibers, polymerised olefins, all types of solvents, vinly compounds, explosives and other allied materials, engineering all products, ancillary parts, pharmaceutical products and its compound, solutions and any kinds of products and its derivatives.

**Changes in the Memorandum of Association**

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	<p><b><u>Clause V of the Memorandum was amended to reflect:</u></b></p> <p>Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital from Rs. 1,00,00,000 (Rupees One Crore) divided into 10,00,000 (Ten Lakhs) Equity Shares of face value of Rs. 10 each to Rs. 2,50,00,000 (Rupees Two Crores and Fifty Lakhs) divided into 25,00,000 (Twenty Five Lakhs) Equity Shares of face value of Rs. 10 each.</p>	March 04, 2013	EGM
2.	<p><b><u>Change in the name of our Company</u></b></p> <p>Clause I of Memorandum of Association was amended to reflect change in name of our Company from “Hindprakash Lonsen Industries Private Limited” to “Hindprakash Industries Private Limited”.</p>	February 16, 2018	EGM
3.	<p><b><u>Change in the Authorised Share Capital</u></b></p> <p>Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital from Rs. 2,50,00,000 (Rupees Two Crores and Fifty Lakhs) divided into 25,00,000 (Twenty Five Lakhs) Equity shares of face value of Rs. 10 each to Rs. 11,50,00,000 (Rupees Eleven Crores and Fifty Lakhs) divided into 1,15,00,000 (One Crore and Fifteen Lakhs) Equity shares of face value of Rs. 10 each.</p>	September 28, 2018	AGM
4.	<p><b><u>Conversion of our Company from Private Limited to Public Limited Company</u></b></p> <p>Clause I of Memorandum of Association was amended to reflect change in name from “Hindprakash Industries Private Limited” to “Hindprakash Industries Limited” pursuant to conversion of our Company from Private Limited to Public Limited Company.</p>	November 15, 2018	EGM
5.	Alteration of Memorandum of Association as per provisions of Companies Act, 2013	July 29, 2019	EGM

**Adopting New Articles of Association of our Company**

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated November 15, 2018.

**Our Holding Company**

Our Company does not have any other holding company as on the date of this Prospectus.

**Our Subsidiary Company**

As on the date of this Prospectus, our Company does not have any subsidiary.

**Details regarding material acquisition or divestments of business /undertakings, mergers, amalgamation, revaluation of assets etc. in the last ten years**

We have neither acquired nor divested from any business/ undertakings nor have undertaken any mergers, amalgamation or revaluation of assets during the last ten years from the date of this Prospectus.

**Shareholders Agreement**

As on the date of this Prospectus, our Company has not entered into any shareholders' agreements that are subsisting.

**Joint Venture and Other Agreements**

As on the date of filing this Prospectus, there is no existing joint venture or other material agreements entered into by our Company which is not in its ordinary course of business.

**Agreements with Key Managerial Personnel, Directors, Promoters or any other employees**

There are no agreements entered into by a Key Managerial Personnel or Directors or Promoters or any other employees of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Guarantees given by Promoters offering its shares in the Issue**

None of our Promoters are offering any of the Equity Shares held by the Promoters in the Company in the Issue.

**Key terms of other subsisting material agreements**

Our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company.



## OUR MANAGEMENT

## Board of Directors

As on the date of this Prospectus, our Board comprises Six (6) Directors. Out of six (6) Directors, two (2) are Executive Directors, two (2) are Non-Executive Directors and two (2) are Independent Directors.

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

Sr. No.	Name, DIN, Designation, Term, Date of Birth, Qualifications, Experience, Address, Occupation, Period of Directorship	Age (in years)	Other Directorships as on the date of this Prospectus
1.	<p><b>Mr. Sanjay Prakash Mangal</b></p> <p><b>DIN:</b> 02825484</p> <p><b>Designation:</b> Managing Director</p> <p><b>Term:</b> Appointed for a period of 3 years w.e.f. February 16, 2019 to February 15, 2022</p> <p><b>Date of Birth:</b> May 15, 1972</p> <p><b>Qualifications:</b> B.Com</p> <p><b>Experience:</b> 24 Years</p> <p><b>Address:</b> 21, Ashwavilla Bungalows, Sindhu Bhavan Road, Thaltej, Ahmedabad- 380059, Gujarat, India</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> Director since August 10, 2011</p>	47	<ul style="list-style-type: none"> <li>• Hindprakash Overseas Private Limited</li> <li>• Hindprakash Tradelink Private Limited</li> <li>• Zaddoc Nutrition Private Limited</li> <li>• Hindprakash Global Private Limited</li> <li>• Specific Worldwide Private Limited</li> </ul>
2.	<p><b>Mr. Santosh Narayan Nambiar</b></p> <p><b>DIN:</b> 00144542</p> <p><b>Designation:</b> Whole-Time Director</p> <p><b>Term:</b> Appointed for a period of 3 years w.e.f. February 16, 2019 to February 15, 2022</p> <p><b>Date of Birth:</b> October 17, 1970</p>	49	<ul style="list-style-type: none"> <li>• Hindprakash Overseas Private Limited</li> <li>• Hindprakash Tradelink Private Limited</li> </ul>

Sr. No.	Name, DIN, Designation, Term, Date of Birth, Qualifications, Experience, Address, Occupation, Period of Directorship	Age (in years)	Other Directorships as on the date of this Prospectus
	<p><b>Qualifications:</b> B.Com</p> <p><b>Experience:</b> 27 Years</p> <p><b>Address:</b> C-001, Sagun Jyotee, Opp. Dhananjay Bunglows, Satellite, Ahmedabad – 380015, Gujarat, India</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> Director since July 13, 2009</p>		
3.	<p><b>Mr. Om Prakash Mangal</b></p> <p><b>DIN:</b> 03078228</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Date of Birth:</b> March 13, 1943</p> <p><b>Qualifications:</b> B.A</p> <p><b>Experience:</b> 45 Years</p> <p><b>Address:</b> Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad– 380006, Gujarat, India</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> Director since November 18, 2019</p>	76	Nil
4.	<p><b>Ms. Rachana Abhinav Agrawal</b></p> <p><b>DIN:</b> 02935245</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Date of Birth:</b> April 12, 1985</p> <p><b>Qualifications:</b> MBA</p> <p><b>Experience:</b> 11 Years</p> <p><b>Address:</b> 43/44, Green Park Bunglows, Ambli Bopal Road, Ambli Village,</p>	34	<ul style="list-style-type: none"> <li>• VSD Infratech Limited</li> <li>• Sarika International Private Limited</li> </ul>

Sr. No.	Name, DIN, Designation, Term, Date of Birth, Qualifications, Experience, Address, Occupation, Period of Directorship	Age (in years)	Other Directorships as on the date of this Prospectus
	<p>Ahmedabad-382450, Gujarat, India</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> July 04, 2019</p>		
5.	<p><b>Mr. Sanjaykumar Kailashchandra Gupta</b></p> <p><b>DIN:</b> 07762680</p> <p><b>Designation:</b> Independent Director</p> <p><b>Term:</b> Five years w.e.f. July 04, 2019</p> <p><b>Date of Birth:</b> July 14, 1972</p> <p><b>Qualifications:</b> PGDBA, CAIIB, Bachelor of Arts, Diploma in Electrical Engineering</p> <p><b>Experience:</b> 28 Years</p> <p><b>Address:</b> Royal A 1303, Neelkanth Palms, Ghodbundar Road, Near Tatvagyan Vidhyapeeth, Thane West, Thane- 400610, Maharashtra, India</p> <p><b>Occupation:</b> Business</p> <p><b>Period of Directorship:</b> Director since July 04, 2019</p>	47	<ul style="list-style-type: none"> <li>• PTSR Fashion For Change Boutique Private Limited</li> <li>• SPG Credits Private Limited</li> </ul>
6.	<p><b>Mr. Jitendra Kumar Sharma</b></p> <p><b>DIN:</b> 07526003</p> <p><b>Designation:</b> Independent Director</p> <p><b>Term:</b> Five years w.e.f. July 04, 2019</p> <p><b>Date of Birth:</b> April 15, 1969</p> <p><b>Qualifications:</b> MBA, M.A</p> <p><b>Experience:</b> 23 Years</p> <p><b>Address:</b> 208-A Krishna Marg, Kundan Nagar, Ajmer– 305001, Rajasthan, India</p> <p><b>Occupation:</b> Business</p>	50	Nil

Sr. No.	Name, DIN, Designation, Term, Date of Birth, Qualifications, Experience, Address, Occupation, Period of Directorship	Age (in years)	Other Directorships as on the date of this Prospectus
	<b>Period of Directorship:</b> Director since July 04, 2019		

**Nature of any family relationship between our Directors or Key Managerial Personnel**

Except as mentioned below, none of our Directors are related to each other in terms of definition of “relative” under section 2(77) of the Companies Act, 2013:

1. Mr. Om Prakash Mangal and Mr. Sanjay Prakash Mangal are related to each other as Father and Son.

**Brief Biographies of our Directors**

**Mr. Sanjay Prakash Mangal**, aged 47 years, is the Managing Director of our Company. He has completed his Bachelor of Commerce (Honors) from Maharshi Dayanand Saraswati University, Ajmer in the year 1993. He has around 24 years of experience. His core management style is collaborative, disciplined and meticulous. He has sophisticated understanding of marketing that enables successful product strategy development with focus on profitability, ability to anticipate market trends, initiate timely development and enhance value in highly competitive and mature markets.

**Mr. Santosh Narayan Nambiar**, aged 49 years, is the Whole-Time Director of our company. He has completed his Bachelor of Commerce from Gujarat University in the year 1994. He has around 27 years of experience in Dyes, Chemical and Auxiliaries Industry. He has been on the Board of our Company since its incorporation. He is responsible for International and Domestic sourcing of products and raw materials, export and domestic marketing, market analysis, research and product development and banking & financial management.

**Mr. Om Prakash Mangal**, aged 76 years, is the Non-Executive Director of our Company. He plays pivotal role in formulation and implementation of business strategy for growth and expansion of business. He developed and built the business from start up to generate seven figure sales annually and established strong customer base.

**Ms. Rachana Abhinav Agrawal**, aged 34 years, is the Non-Executive Director of our Company. She has completed her Master of Business Administration from Nirma University of Science and Technology, Ahmedabad. She has around 11 years of experience in the industry. She plays a pivotal role in formulation and implementation of strategy for growth and expansion of business. Her key skills are strategy planning, client relationship management and cost & people management.

**Mr. Sanjaykumar Kailashchandra Gupta**, aged 47 years, is the Independent Director of our Company. He has completed his Bachelors of Arts (Maths, Applied Maths and Economics) in the year 1994 from Osmania University, Hyderabad. He served in the Indian Air Force from November 1991 to February 1999, where he was responsible for electrical and air conditioning department of a TROPO unit and obtained his Diploma in Electrical Engineering therefrom in the year 1999. He has also passed the CAIIB Examination of the Indian Institute of Banking and Finance in the year 2005 and PGDBA from Guru Jambheshwar University of Science and Technology in the year 2008. In a Career spanning around 28 years, he has last 21 years of experience in corporate finance, MSME finance, retail banking, business development, customer relationship management, credit, risk, operations, recovery, team management, MIS management, documentation audit, etc.

**Mr. Jitendra Kumar Sharma**, aged 50 years, is the Independent Director of our Company. He has completed his Master in Arts in the year 1992 from Maharshi Dayanand Saraswati University, Ajmer. He has also done his MBA in Marketing Management from Techno Global University, Meghalaya in the year 2012. He has more than 23 years of experience in marketing management.

**Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/ or the NSE for a period beginning from five (5) years prior to the date of this Prospectus**

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

**Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India**

None of our Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other regulatory authority.

**Compensation of our Managing Director and Whole-Time Director**

- Mr. Sanjay Prakash Mangal** is the Managing Director of our Company. He was originally appointed as an additional director of our Company on August 10, 2011. He was re-designated as the Managing Director pursuant to board resolution dated February 16, 2019 and shareholder’s resolution dated March 07, 2019. The significant terms of his employment are set out below:

<b>Particulars</b>	<b>Mr. Sanjay Prakash Mangal</b>
Salary inclusive of all allowances and incentives	Upto Rs. 2 Lakhs per month. He shall be entitled to such annual increment from time to time as the Board may by its discretion determine.
Perquisites and allowances in addition to salary	In addition to the salary as described above, he shall be eligible for the following perquisites, which shall not be included in the computation of ceiling on remuneration specified hereinabove. a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961. b) Gratuity payable at a rate not exceeding half month’s salary for each completed year of service. c) Encashment of leave at the end of the tenure.
Other Benefits	Our Company may contribute in Pension Scheme as per our Company’s rules. He will be entitled to all other benefits as applicable to the senior executives of our Company.
Appointment as a Managing Director	Three (3) years commencing from February 16, 2019 to February 15, 2022
Remuneration paid for Fiscal 2018-19	Rs. 15.25 Lakhs per annum

- Mr. Santosh Narayan Nambiar** is the Whole-Time Director of our Company. He has been on our Board since inception and appointed as Director of our Company on July 13, 2009. He was re-designated as the

Whole-Time Director pursuant to board resolution dated February 16, 2019 and shareholder's resolution dated March 07, 2019. The significant terms of his employment are set out below:

Particulars	Mr. Santosh Narayan Nambiar
Salary inclusive of all allowances and incentives	Upto Rs. 1.00 Lakhs per month. He shall be entitled to such annual increment from time to time as the Board may by its discretion determine.
Perquisites and allowances in addition to salary	In addition to the salary as described above, he shall be eligible for the following perquisites, which shall not be included in the computation of ceiling on remuneration specified hereinabove. a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961. b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service. c) Encashment of leave at the end of the tenure.
Other Benefits	Our Company may contribute in Pension Scheme as per our Company's rules. He will be entitled to all other benefits as applicable to the senior executives of our Company.
Appointment as a Whole-Time Director	Three (3) years commencing from February 16, 2019 to February 15, 2022
Remuneration paid for Fiscal 2018-19	Rs. 6.27 Lakhs per annum

#### Payment or benefit to Directors of our Company

The sitting fees/other remuneration of our Directors in Fiscal 2019 are as follows:

- **Payment of non-salary related benefits**

Except as stated under Remuneration to Executive Directors and "Remuneration to Non-Executive Directors", Our Company has not paid, in the last two (2) years preceding the date of this Prospectus, and nor does it intend to pay any non-salary related amount or benefits to our Directors.

- **Remuneration to Non-Executive Directors:** As on the date of this Prospectus, the Board of Directors of our Company has not recommended any remuneration by way of sitting fees for our Non-Executive Directors for attending each meeting of our Board and committees thereof.

#### Bonus or Profit Sharing Plan for our Directors

We have no bonus or profit sharing plan for our Directors.

#### Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Prospectus.

#### Service Contracts

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

### Shareholding of our Directors in our Company

Except as mentioned below, none of the Directors hold Equity Shares in our Company as on the date of this Prospectus:

Sr. No.	Name of the Director	Pre-Issue		Post-Issue	
		No. of Shares	Percentage (%) holding	No. of Shares	Percentage (%) holding
1.	Om Prakash Mangal	14,70,000	19.49	14,70,000	14.10
2.	Sanjay Prakash Mangal	10,85,155	14.38	10,85,155	10.41
3.	Santosh Narayan Nambiar	8,750	0.12	8,750	0.08
	<b>Total</b>	<b>25,63,905</b>	<b>33.99</b>	<b>25,63,905</b>	<b>24.60</b>

### Shareholding of Directors in our Subsidiary

Our Company does not have any subsidiary as on the date of this Prospectus.

### Shareholding of Directors in our Associate companies

Our Company does not have any associate companies as on the date of this Prospectus.

### Appointment of relatives of our Directors to any office or place of profit

Mrs. Dimple Mangal, Wife of our Promoter and Managing Director Mr. Sanjay Prakash Mangal, was paid Rs. 17.68 Lakhs in F.Y. 2018-19.

Except as mentioned in this chapter, none of the relatives of our Directors currently holds any office or place of profit in our Company.

### INTEREST OF DIRECTORS

Our executive and non-executive directors may also be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time, unsecured loan and guarantee given by them and right for using trademark. For further details of shareholding of directors in our Company please refer to the chapter titled "Capital Structure" beginning on page 57. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the Equity Shares held by them.

Our independent directors may be deemed to be interested in our Company to the extent of fees payable to them (if any) for attending meetings of our Board or committees thereof and reimbursement of expenses payable pursuant to our Articles of Association.

Except as mentioned in the section titled "Our Business" beginning on page 108, our directors have no interest in any property acquired or proposed to be acquired by our Company two (2) years prior to the date of this Prospectus.

Except Mr. Sanjay Prakash Mangal, Mr. Santosh Narayan Nambiar and Mr. Om Prakash Mangal, who are the Promoters of our Company, none of our other Directors have any interest in the promotion of our Company other than in ordinary course of business. Except as disclosed above, no amount or benefit has been paid or

given within the two (2) preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

None of our Directors have availed any loan from our Company except as stated in the annexure titled "Related Party Transactions" under chapter titled "Financial information of the Company" beginning on page 156. None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company. Except as disclosed under section titled "Our Management – Remuneration to Executive Directors" beginning on page 135, none of our Directors is party to any bonus or profit sharing plan of our Company. Further, except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Management Personnel have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

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

Sr. No.	Name of the Director	Date of change	Reason for Change
1.	Vipin Prakash Mangal	September 28, 2018	Appointed as Executive Director
2.	Sanjay Prakash Mangal	February 16, 2019	Re-designated as Managing Director of our Company
3.	Vipin Prakash Mangal	February 16, 2019	Re-designated as Whole-Time Director of our Company
4.	Santosh Narayan Nambiar	February 16, 2019	Re-designated as Whole-Time Director of our Company
5.	Rachana Abhinav Agrawal	July 04, 2019	Appointed as Non-Executive Additional Director
6.	Sanjaykumar Kailashchandra Gupta	July 04, 2019	Appointed as Non-Executive Independent Additional Director
7.	Jitendra Kumar Sharma	July 04, 2019	Appointed as Non-Executive Independent Additional Director
8.	Rachana Abhinav Agrawal	July 29, 2019	Regularization as Non-Executive Director
9.	Sanjaykumar Kailashchandra Gupta	July 29, 2019	Regularization as Independent Director
10.	Jitendra Kumar Sharma	July 29, 2019	Regularization as Independent Director
11.	Vipin Prakash Mangal	July 31, 2019	Re-designated as Non-Executive Director of our Company
12.	Vipin Prakash Mangal	November 18, 2019	Resignation as Non-Executive Director of our Company
13.	Om Prakash Mangal	November 18, 2019	Appointed as Non-Executive Additional Director
14.	Om Prakash Mangal	December 14, 2019	Regularization as Non-Executive Director

#### Details of Borrowing Powers of Directors

Our Company has passed a special resolution in the Extra-Ordinary General Meeting of the members held on March 07, 2019 authorizing the Directors of the Company under Section 180 (1) (c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 40 Crores (Rupees Forty Crores only).



## COMPLIANCE WITH CORPORATE GOVERNANCE

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchange. Our Company is in compliance with the requirements of applicable regulations, specifically the SEBI (LODR) Regulations, 2015, the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018 in respect of corporate governance particularly in relation to constitution of the Board and committees of our Board.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, to the extent applicable.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Currently, our Company has six (6) Directors including Mr. Sanjay Prakash Mangal as a Managing Director. Out of six (6) directors, two (2) are Executive Directors, two (2) are Non-Executive Director and two (2) are Independent Directors.

The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee are set out below. In addition to the committees of the Board detailed below, our Board of Directors may, from time to time constitute committees for various functions.

### 1. Audit Committee

Our Company has constituted the Audit Committee in accordance with Section 177 of the Companies Act, 2013, read with rules made thereunder read with Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines. The audit committee presently consists of the following Directors of the Board:

Name of the Director	Status in Committee	Nature of Directorship
Sanjaykumar Kailashchandra Gupta	Chairman	Independent Director
Jitendra Kumar Sharma	Member	Independent Director
Santosh Narayan Nambiar	Member	Whole-Time Director

The Company Secretary and Compliance Officer of the Company shall act as Company Secretary to Audit Committee.

The scope and function of the Audit Committee and its terms of reference shall include the following:

**A. Tenure:** The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

**B. Meetings of the Committee:** The Audit Committee shall as often as necessary subject to the minimum number and frequency prescribed by any law or any authority or as stipulated by Board. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater.

**C. Role and Powers:** Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act.

**Powers of Audit Committee:**

The Audit Committee shall have powers, including the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee:**

The role of the Audit Committee shall include the following:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. Examination of the financial statement and the auditors' report thereon;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loans and investments including review of utilization of loans and / or advances from the investments by the holding Company in the subsidiary exceeding Rs. 100 Crore or 10% of the asset size of the subsidiary whichever is lower;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters
9. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
10. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
11. To do all acts, deeds and things as may be may be required or considered necessary or incidental in the above matters along with another terms as may be decided by the Board.

**2. Stakeholders Relationship Committee**

Our Company has constituted the Stakeholders Relationship Committee in terms of section 178 of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated July 04, 2019. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

Name of the Director	Status in Committee	Nature of Directorship
Rachana Abhinav Agrawal	Chairperson	Non-Executive Director
Sanjaykumar Kailashchandra Gupta	Member	Independent Director
Sanjay Prakash Mangal	Member	Managing Director

The Company Secretary and Compliance Officer of the Company shall act as Company Secretary to Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

**A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship as approved by the Board.

**B. Meetings:** The Committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

**C. Terms of Reference:** Set forth below are the terms of reference of our Stakeholders' Relationship Committee.

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.
6. to do all acts, deeds and things as may be may be required or considered necessary or incidental in the above matters along with another terms as may be decided by the Board

### 3. Nomination and Remuneration Committee

Our Company has constituted Nomination and Remuneration Committee in terms of section 178 of the Companies Act, 2013 read with Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on July 04, 2019. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

Name of the Director	Status in Committee	Nature of Directorship
Sanjaykumar Kailashchandra Gupta	Chairman	Independent Director
Jitendra Kumar Sharma	Member	Independent Director
Rachana Abhinav Agrawal	Member	Non-Executive Director

The Company Secretary and Compliance Officer of the Company shall act as Company Secretary to Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

**A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Meetings:** The Committee shall meet as and when the need arise. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher.

**C. Terms of Reference:** Set forth below are the terms of reference of our Nomination and Remuneration Committee.

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
2. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
3. Formulation of criteria for evaluation of independent directors and our Board;
4. Devising a policy on Board diversity;
5. Recommend to the board, all remuneration, in whatever form, payable to senior management.
6. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
7. Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
8. Considering and recommending grant of employees stock option, if any, and administration and superintendence of the same;
9. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
10. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**Policy on disclosure and internal procedure for prevention of Insider Trading**

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on Emerge platform of NSE. Further, Board of Directors at their meeting held on July 04, 2019 have approved and adopted the policy on insider trading in view of the proposed public issue.

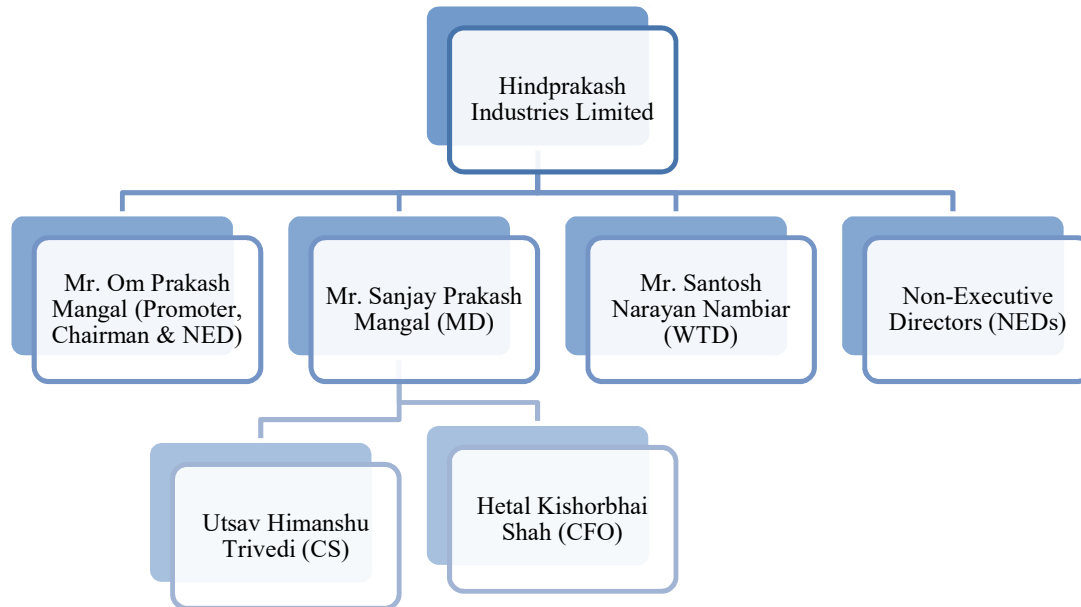
Mr. Utsav Himanshu Trivedi, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

**Policy for determination of Materiality & Materiality of Related Party Transactions and on dealing with Related Party Transactions**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 on listing of Equity Shares on the Emerge platform of NSE. The Board of Directors at their meeting held on July 04, 2019 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:-



### Profiles of our Key Managerial Personnel

In addition to our Managing Director, Mr. Sanjay Prakash Mangal and our Whole-Time Director, Mr. Santosh Narayan Nambiar, whose details are provided under "Brief biographies of the Directors" in this chapter, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. Utsav Himanshu Trivedi** is the Company Secretary and Compliance Officer of our Company. He is an associate member of the Institute of Company Secretaries of India and has completed his Bachelor of Commerce from Gujarat University in the year 2015. He looks after the overall corporate governance and secretarial matters of our Company. Prior to joining our Company he was working as a CS article with M/s Rahul Agarwal & Associates. He was appointed as Company Secretary and Compliance Officer of our Company on January 16, 2019.
2. **Mr. Hetal Kishorbhai Shah** is the Chief Financial Officer of our company. He holds Bachelor's degree of Commerce from University of Gujarat. He has also completed his Post Graduate Diploma in Business Management from Som-Lalit Institute of Management Studies in the year 2005. He has joined our Company as Head-Accounts. He has been appointed as Chief Financial Officer of our Company with effect from January 16, 2019. In his past experience he has worked with Hindprakash Tradelink Private Limited as Head-Accounts, Dish Tv India Limited as Zonal Commercial Head, Subhiksha Trading Services Limited as Senior Manager, Tata Teleservices Limited as Assistant Manager- Finance and Xerox Modicorp Limited as Customer Admin Manager. He has an experience of around 28 years in Finance and Accounts, Auditing, Commercial Operations and Inventory Management.

**Status of Key Managerial Personnel**

All the Key Managerial Personnel are permanent employees of our Company.

**Relationship amongst the Key Managerial Personnel of our Company**

None of our key managerial personnel are related to each other, in terms of the definition of 'relative' under Section 2(77) of the Companies Act 2013.

**Shareholding of the Key Management Personnel**

Except as mentioned below, none of our Key Managerial Personnel hold any Equity Shares of our company as on the date of this Prospectus.

Sr. No.	Name of the Director	Pre-Issue		Post-Issue	
		No. of Shares	Percentage (%) holding	No. of Shares	Percentage (%) holding
1.	Sanjay Prakash Mangal	10,85,155	14.38	10,85,155	10.41
2.	Santosh Narayan Nambiar	8,750	0.12	8,750	0.08
	<b>Total</b>	<b>10,93,905</b>	<b>14.50</b>	<b>10,93,905</b>	<b>10.49</b>

**Bonus or profit sharing plan of the Directors and Key Management Personnel**

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes bonus payments, in accordance with their terms of appointment.

**Interest of Key Managerial Personnel**

Other than as disclosed in this section under "Interest of our Directors" and "Shareholding of Key Management Personnel", our Key Management Personnel 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.

The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them.

The Key Management Personnel are not entitled to any contingent or deferred compensation.

**Payment of non-salary related benefits to officers of our Company (non-salary related)**

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

**Retirement Benefits**

Except as provided for in the terms of appointment, our Company does not provide any specific retirement benefits.

**Arrangement and Understanding with Major Shareholders/Customers/ Suppliers**

None of the Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

**Service Contracts with Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

**Loans availed by Directors / Key Managerial Personnel of our Company**

None of the Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Prospectus.

**Changes in our Key Managerial Personnel during the last three (3) years**

Except for the changes to our Board of Directors, as set forth under “Changes in the Board of Directors in the last three years” herein above, the changes in the Key Management Personnel in the last three years prior to the date of filing of this Prospectus are as follows:

Sr. No.	Name	Designation	Date	Reason
1.	Mr. Hetal Kishorbhai Shah	Chief Financial Officer	January 16, 2019	Appointment
2.	Mr. Utsav Himanshu Trivedi	Company Secretary and Compliance Officer	January 16, 2019	Appointment

**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.

**Employees**

For the details about our employees, please refer the chapter titled “Our Business” beginning on page 108.


## OUR PROMOTERS & PROMOTER GROUP


### Our Promoters

The Promoters of our Company are Mr. Sanjay Prakash Mangal, Mr. Om Prakash Mangal and Mr. Santosh Narayan Nambiar. As on date of this Prospectus, our Promoters collectively hold 25,63,905 Equity Shares which in aggregate constitute 33.99% of the pre-issue, subscribed and paid-up Equity Share Capital of our Company.

For details of the build-up of our Promoters' shareholding in our Company, please refer the chapter titled "Capital Structure – Notes to Capital Structure" beginning on page 57.


### The brief profiles of our Promoters are as under:

Mr. Sanjay Prakash Mangal		
	Mr. Sanjay Prakash Mangal, aged 47 years, is the Promoter and Managing Director of our Company.	
	<b>Permanent Account Number</b>	ACJPM2990A
	<b>Aadhaar Card Number</b>	8578 7547 6497
	<b>Driving License Number</b>	GJ01 20120064723
	<b>Address</b>	21, Ashwavilla Bungalows, Sindhu Bhavan Road, Thaltej, Ahmedabad- 380059, Gujarat, India
	<b>Other ventures</b>	<ul style="list-style-type: none"> <li>• Nitex Enterprise LLP</li> <li>• Shirshak LLP</li> <li>• Sanjayprakash HUF</li> </ul>
For further details, please refer chapter titled "Our Management" beginning on page 135.		

Mr. Om Prakash Mangal		
	Mr. Om Prakash Mangal, aged 76 years, is the Promoter and Non-Executive Director of our Company. He plays pivotal role in formulation and implementation of business strategy for growth and expansion of business. He developed and built the business from start up to generate seven figure sales annually and established strong customer base.	
	<b>Date of Birth</b>	March 13, 1943
	<b>Educational Qualifications</b>	Bachelor of Arts
	<b>Experience</b>	45 Years
	<b>Positions/posts held in the past</b>	He was Director in following companies in the past: <ul style="list-style-type: none"> <li>• Hindprakash Tradelink Private Limited</li> <li>• Shirshak Enterprises Private Limited</li> <li>• Yellowcap Infra Private Limited</li> </ul>
	<b>Directorships held</b>	NA
	<b>Other ventures</b>	<ul style="list-style-type: none"> <li>• Deluxe Paper Industries (Partnership Firm)</li> <li>• O.P.S.P Mangal HUF</li> </ul>



		<ul style="list-style-type: none"> <li>• Omprakash Sanjayprakash HUF</li> <li>• O.P.V.P Mangal HUF</li> <li>• Omprakash Vipinprakash Mangal HUF</li> </ul>
	<b>Special achievements</b>	NA
	<b>Permanent Account Number</b>	AXSPM7946C
	<b>Aadhaar Card Number</b>	6880 2286 7107
	<b>Driving License Number</b>	N.A
	<b>Address</b>	Bungalow No 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad City, Ahmedabad, Ellisbridge– 380006, Gujarat, India

<b>Mr. Santosh Narayan Nambiar</b>		
	Mr. Santosh Narayan Nambiar, aged 49 years, is the Promoter and Whole-Time Director of our Company.	
	<b>Permanent Account Number</b>	ABDPN6872B
	<b>Aadhaar Card Number</b>	4061 3538 4049
	<b>Driving License Number</b>	GJ01/158156/08
	<b>Address</b>	C-001, Sagun Jyotee, Opp. Dhananjay Bungalows, Satellite, Ahmedabad – 380015, Gujarat, India
	<b>Other ventures</b>	NA
	For further details, please refer chapter titled “Our Management” beginning on page 135.	

**Confirmations/Declarations**

In relation to our Promoters, Mr. Sanjay Prakash Mangal, Mr. Om Prakash Mangal and Mr. Santosh Narayan Nambiar, our Company confirms that the PAN, passport number and bank account number (as available) of each of our Promoters submitted to NSE at the time of submission of the Prospectus with them.

**Change in control of our Company**

Our Promoters are the original promoters of our Company and there has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

**Other ventures of our Promoters**

Except as disclosed herein above and in the chapter “Our Management” beginning on page 135, our Promoters are not involved with any other venture.

**Experience of our Promoters in the business of our Company**

For details in relation to experience of our Promoters in the business of our Company, please refer “brief profiles of our Promoters” mentioned in this chapter.

**Interest of Promoters**

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividend receivable, if any and other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company, unsecured loan and guarantee given by them and right for using trademark. For details regarding shareholding of our Promoters in our Company, please refer to the chapter titled "Capital Structure" beginning on page 57. For further details of interest of our Promoters in our Company, please refer to the chapter titled "Financial Information of the Company" beginning on page 156.

Our Promoters may be deemed to be interested to the extent of remuneration, benefits and reimbursement of expenses payable to them as the Directors of our Company. For further details, please refer to the chapter titled "Our Management" beginning on page 135.

Except for Mr. Sanjay Prakash Mangal, Mr. Santosh Narayan Nambiar and Mr. Om Prakash Mangal who are Promoters and Directors of our Company, none of our Directors or Group Company have any interest in the promotion of our Company.

**Interest of Promoters in the Properties of our Company**

Except as disclosed in this Prospectus, our Promoters, Directors and Group Company have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Prospectus or proposed to be acquired by it as on the date of this Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters and Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify him as a Director or Promoter, or otherwise for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Except to the extent of their directorship and shareholding in our Group Company, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

For further details, please refer to the chapter titled "Our Management" beginning on page 135 and "History and Certain Corporate Matters" beginning on page 131.

**Related Party Transactions**

For details of related party transactions entered by our Promoters, members of our Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer to the chapter titled "Financial Information of the Company" beginning on page 156.

**Payment or benefits to the Promoters**

Except as disclosed in this section and stated otherwise in "Financial Information of the Company" beginning on page 156 about the related party transactions entered into during the last three Fiscals and in "Our Management" beginning on page 135, there has been no payment or benefit to our Promoters or Promoter Group during the two years prior to the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of the Promoter Group as on the date of this Prospectus.

**Disassociation by Promoters in the last three years**

Our Promoters have not disassociated with any company or firm during the three years preceding the date of filing of this Prospectus.

**Material Guarantees**

Except as stated in the chapter titled “Financial Information of the Company” beginning on page 156, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

**Our Promoter Group**

Individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, 2018 are set out below:

**1. Natural Persons who are part of the Promoter Group**

As per Regulation 2(1)(pp) (ii) of the SEBI (ICDR) Regulations, 2018, the natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

Relationship with Promoter	Sanjay Prakash Mangal	Om Prakash Mangal	Santosh Narayan Nambiar
Father	Om Prakash Mangal	Late Tejmal Mangal	Narayan Nambiar
Mother	Hemlata Mangal	Late Vidhyawati Mangal	Vasanti Nambiar
Spouse	Dimple Mangal	Hemlata Mangal	Tanima Nambiar
Brother	Vipin Prakash Mangal	Bhagwan Mangal	Sundresh Nambiar
Sister	Kirti Goyal	Rukmani Devi Garg	NA
Son	Vedant Prakash Mangal	Sanjay Prakash Mangal Vipin Prakash Mangal	Rutaansh Nambiar Shreansh Nambiar
Daughter	Radhika S Mangal Priyata S Mangal	Kirti Goyal	NA
Spouse’s Father	Late Janakkumar Agrawal	Late Rameshwardas Tatiwala	Late Soumendra Ray
Spouse’s Mother	Anguridevi Agrawal	Late Premadevi	Hitu Ray
Spouse’s Brother	Vishal Agrawal	Chaitanya Tatiwala	NA
Spouse’s Sister	Suman Goyal	Madhuri Mittal	Tulika Ray

**2. Entities forming part of our Promoter Group**

The entities forming part of our Promoter Group are as follows:

Sr. No.	Nature of Relationship	Entity
1.	Any Body corporate in which 20% or more of the equity share capital is held by the Promoters or an immediate relative of the Promoters or a firm or HUF in which the Promoters or any one or more of their immediate relatives is a member	<ul style="list-style-type: none"> <li>• Hindprakash Global Private Limited</li> <li>• Hindprakash Tradelink Private Limited</li> <li>• Hindprakash Overseas Private Limited</li> <li>• Zaddoc Nutrition Private limited</li> <li>• Mangalam Multi Business Private Limited</li> <li>• Mangalam Acumen Private Limited</li> </ul>
2.	Any company in which a body corporate as provided in (1) above, holds 20% or more, of the equity share capital	<ul style="list-style-type: none"> <li>• Specific Worldwide Private Limited</li> </ul>
3.	Any HUF or firm in which the aggregate share of the Promoters and their relatives is equal to or more than 20% of the total Capital	<ul style="list-style-type: none"> <li>• O.P.S.P Mangal HUF</li> <li>• Omprakash Sanjayprakash HUF</li> <li>• O.P.V.P Mangal HUF</li> <li>• Omprakash Vipinprakash HUF</li> <li>• Vipinprakash HUF</li> <li>• Sanjayprakash HUF</li> <li>• Deluxe Paper Industries (Partnership Firm)</li> <li>• Nitex Enterprise LLP</li> <li>• Paradisal Trade LLP</li> <li>• Shirshak LLP</li> </ul>

**DIVIDEND POLICY**

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of 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 may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Except as mentioned below, our Company has not declared any dividend on the Equity Shares in the past three years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future, please refer to the chapter titled "Risk Factors" beginning on page 25.

Particulars	For Fiscal		
	2019	2018	2017
Face value per share (in Rs.)	10	10	10
Dividend per share (in Rs.)	0.05	0.05	0.05
Rate of dividend (%)	0.50%	0.50%	0.50%
Mode of payment of dividend	Cheque	Cheque	Cheque

**SECTION VI – FINANCIAL INFORMATION OF OUR COMPANY**

**RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR’S EXAMINATION REPORT  
ON RESTATED FINANCIAL INFORMATION**

**The Board of Directors,**

**Hindprakash Industries Limited**

(formerly known as Hindprakash Industries Private Limited/  
Hindprakash Lonsen Industries Private Limited)

301, Hindprakash House, Plot No 10/6,  
Phase I, GIDC Vatva, Ahmedabad – 382445, India

Dear Sirs,

1. We have examined the attached Restated Financial Information of Hindprakash Industries Limited [formerly known as Hindprakash Industries Private Limited / Hindprakash Lonsen Industries Private Limited] (the “Company” or the “Issuer”) comprising the Restated Statement of Assets and Liabilities as at 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017 (Annexure I), the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the year/period ended 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017 (Annexure II and III respectively), the Summary of Significant Accounting Policies (Annexure IV) and Notes forming part of Restated Financial Statements (Annexure V to Annexure XXXX), and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on 22 November 2019 for the purpose of inclusion in the Draft Prospectus/ Prospectus (“Offer Document”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) prepared in terms of the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
- (c) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Gujarat, in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV(A)(B 1 a) to the Restated Financial Information. The Board of Directors of the Company’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

- (a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15 November 2019 in connection with the proposed IPO of equity shares of the Company;
- (b) the Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

(c) concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

(d) the requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from audited financial statements of the Company as at and for the years/periods ended 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017 prepared in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, which have been approved by the Board of Directors at their meeting held on 22 November 2019.

5. The Company does not have a subsidiary, associate or joint venture, in any of the financial year reported herein and the Restated Financial Information contains the standalone financial information of the company.

6. For the purpose of our examination, we have relied on, auditors' reports issued by us on the financial statements of the Company as at and for the year/period ended 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017, as referred in Paragraph 4 above.

The audits for the financial years/periods ended 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017 were conducted by us. The examination report included for the said years is based solely on the report submitted by us.

The Restated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year ended 31 March 2019, 31 March 2018 and 31 March 2017, to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period/year ended 30 September 2019;

(b) do not require any adjustments, since the audit reports issued does not contains any modifications as mentioned in paragraph 7 below; and

(c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. The audit reports on the financial statements issued by us were not modified on the financial statements of the Company as at and for the years/periods ended 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017.

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years/period ended 31 March 2019, 31 March 2018, and 31 March 2017 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year/period ended 30 September 2019. As a result of these adjustments, regrouping and reclassifications, the amount reported in the Restated Financial Information may not necessarily be the same as those appearing in the respective audited financial statements for the relevant years;

(b) do not require any adjustments, since the audit reports does not contains any modifications as mentioned in paragraph 7 above and

(c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

9. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

13. We, Kedia & Kedia Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.

SUBODH KEDIA  
(M. No.: 043381), Partner for and on behalf of  
KEDIA & KEDIA ASSOCIATES  
Chartered Accountants  
FRN: 104954W  
AHMEDABAD.

November 22, 2019  
UDIN: 19043381AAAAEK1799



## ANNEXURE-I

## STATEMENT OF ASSETS AND LIABILITY AS RESTATED

(Rs. in Lakhs)

Particulars	Annexure	As at			
		30/09/19	31/03/19	31/03/18	31/03/17
<b>I. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' funds</b>					
(a) Share Capital	V	754.41	754.41	215.55	215.55
(b) Reserves and Surplus	VI	1,369.41	1,196.15	1,452.90	1,222.28
<b>2 Share Application Money Pending Allotment</b>		-	-	-	-
<b>3 Non Current Liabilities</b>					
(a) Long-term Borrowings	VII	-	-	-	2.48
(b) Deferred Tax Liabilities (Net)	VIII	6.85	8.39	10.21	8.51
(c) Other Long Term Liabilities	IX	514.13	514.13	-	-
(d) Long-term Provisions	X	30.31	26.38	19.12	22.24
<b>4 Current Liabilities</b>					
(a) Short-term Borrowings	XI	1,314.46	1,524.90	1,140.62	1,082.26
(b) Trade Payables	XII	760.54	770.54	246.29	827.46
(c) Other Current Liabilities	XIII	7.19	9.92	8.22	51.21
(d) Short-term Provisions	XIV	36.06	8.71	23.47	35.17
<b>TOTAL</b>		<b>4,793.36</b>	<b>4,813.53</b>	<b>3,116.38</b>	<b>3,467.16</b>
<b>II. ASSETS</b>					
<b>1 Non Current Assets</b>					
(a) Property Plant & Equipments					
(i) Tangible Assets	XV	1,107.04	1,095.56	328.20	332.53
(ii) Intangible Assets	XV	0.93	1.62	3.19	4.76
(iii) Capital Work-In-Progress	XV	70.33	24.89	-	-
(b) Non-current Investments	XVI	3.70	3.70	3.70	3.70
(c) Long Term Loans and Advances	XVII	24.71	24.72	1.04	1.04
<b>2 Current Assets</b>					
(a) Inventories	XVIII	1,075.56	1,048.05	984.63	987.67
(b) Trade Receivables	XIX	1,969.64	2,210.86	1,338.51	1,642.83
(c) Cash and Bank Balance	XX	156.98	43.23	7.06	4.38
(d) Short-term Loans and Advances	XXI	384.47	360.90	450.05	490.25
(e) Other Current Assets	XXII	-	-	-	-
<b>TOTAL</b>		<b>4,793.36</b>	<b>4,813.53</b>	<b>3,116.38</b>	<b>3,467.16</b>

Note: The above statement should be read with the significant accounting policies and notes to restated financial statements and Annexures II, III, IV(A), IV(B), IV(C) and Annexures V to XXXX.

## ANNEXURE-II

## STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. in Lakhs)

Particulars		Annexures	For the period ended			
			30/09/19	31/03/19	31/03/18	31/03/17
I.	Revenue from operations (Gross)	XXIII	5,010.64	9,665.60	8,919.39	9,432.34
	Less: Excise Duty		-	-	(186.86)	(820.99)
	Revenue from operations (Net)		<b>5010.64</b>	<b>9,665.60</b>	<b>8,732.53</b>	<b>8,611.35</b>
II.	Other income	XXIV	53.16	133.88	15.05	0.43
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>5063.80</b>	<b>9,799.48</b>	<b>8,747.58</b>	<b>8,611.78</b>
IV.	Expenses:					
	Cost of Materials Consumed / Cost of Traded Goods Sold	XXV	4502.52	8,759.24	7,928.55	7,566.78
	Changes in Inventories of Finished Goods	XXVI	(28.16)	39.65	(70.27)	31.88
	Employee Benefits Expense	XXVII	92.07	159.24	161.84	158.45
	Other Expenses	XXVIII	170.57	297.14	238.39	388.03
	<b>Total expenses</b>		<b>4737.00</b>	<b>9,255.27</b>	<b>8,258.51</b>	<b>8,145.13</b>
<b>V.</b>	<b>Profit Before Interest, Depreciation and Tax (III- IV)</b>		<b>326.80</b>	<b>544.21</b>	<b>489.07</b>	<b>466.65</b>
	Finance Costs	XXIX	68.85	125.36	119.32	126.08
	Depreciation and Amortization Expense		9.82	19.92	18.94	15.95
<b>VI</b>	<b>Profit before exceptional and extraordinary items and tax</b>		<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
	Exceptional item		-	-	-	-
<b>VII</b>	<b>Profit before extraordinary items and tax</b>		<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
	Extraordinary item		-	-	-	-
<b>VIII</b>	<b>Profit Before Tax</b>		<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
<b>IX</b>	<b>Tax expense:</b>					
	(1) Current Income Tax		(71.86)	(117.33)	(117.20)	(109.32)
	(2) Deferred Tax		1.54	1.82	(1.70)	(1.04)
<b>X</b>	<b>Restated profit after tax for the period from continuing operations (VIII + IX)</b>		<b>177.81</b>	<b>283.42</b>	<b>231.91</b>	<b>214.26</b>
	Profit/ (Loss) from Discontinuing operations		-	-	-	-
	Tax expenses of discontinuing operations		-	-	-	-
<b>XI</b>	<b>Restated profit for the period</b>		<b>177.81</b>	<b>283.42</b>	<b>231.91</b>	<b>214.26</b>

Note: The above statement should be read with the significant accounting policies and notes to restated financial statements and Annexures I, III, IV(A), IV(B), IV(C) and Annexures V to XXXX.

## ANNEXURE-III

## CASH FLOW STATEMENT AS RESTATED

(Rs. in Lakhs)

Particulars	For the period ended			
	30/09/2019	31/03/2019	31/03/2018	31/03/2017
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
<b>Net Profit before Tax (A)</b>	<b>248.13</b>	<b>398.93</b>	<b>350.81</b>	<b>324.62</b>
Adjustments for :				
Depreciation & Amortization	9.82	19.92	18.94	15.95
Loss/(Gain) on Sale of Fixed Assets	-	(0.05)	1.68	-
Unrealised Foreign Exchange (Gain) / Loss (Net)	-	(2.80)	21.58	(14.72)
Forward / Option Premium Adjustment	-	-	8.01	(8.56)
Provision for Gratuity	7.95	5.40	(2.76)	5.44
Provision for Privileged Leave	1.28	1.99	(2.16)	0.54
Excise Duty Adjustment on Finished Goods	-	-	(14.83)	(5.09)
Interest / Finance Charges	68.85	125.36	119.31	126.07
Interest & Dividend Earned	(52.47)	(133.77)	(15.02)	(0.05)
<b>Sub Total (B)</b>	<b>35.42</b>	<b>16.05</b>	<b>134.75</b>	<b>119.58</b>
<b>Operating Profit Before Working Capital Changes (A + B)</b>	<b>283.55</b>	<b>414.98</b>	<b>485.56</b>	<b>444.20</b>
Adjustments for Changes in Working Capital				
(Increase) / Decrease in Inventories	(27.51)	(63.43)	3.05	(145.47)
(Increase) / Decrease in Trade Receivable	241.22	(874.22)	305.40	(377.91)
(Increase) / Decrease in Advances to Suppliers	(16.10)	19.11	(14.20)	(6.91)
(Increase) / Decrease in Short Term Loans & Advances	(7.48)	70.13	46.26	(73.17)
(Increase) / Decrease in Other Non Current Assets	-	(0.90)	-	(0.02)
(Increase) / Decrease in Other Current Assets	-	-	-	-
Increase / (Decrease) in Trade Payables	(10.00)	528.82	(603.69)	201.99
Increase / (Decrease) in Other Current Liabilities	(2.72)	1.69	(42.99)	25.80
<b>Sub Total (C)</b>	<b>177.41</b>	<b>(318.80)</b>	<b>(306.17)</b>	<b>(375.69)</b>
<b>Cash Generated from Operations (A + B+ C)</b>	<b>460.96</b>	<b>96.18</b>	<b>179.39</b>	<b>68.51</b>
<b>Income tax paid during the year (D)</b>	<b>(49.80)</b>	<b>(154.99)</b>	<b>(112.28)</b>	<b>(111.91)</b>
<b>Net Cash Generated from Operations (A + B+ C + D)</b>	<b>411.17</b>	<b>(58.80)</b>	<b>67.11</b>	<b>(43.40)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
Purchase of Fixed Assets	(66.06)	(810.74)	(16.52)	(23.73)
Sales of Fixed Assets	-	0.20	1.80	-
(Increase)/ Decrease in Other Bank Balances not considered as Cash and Cash Equivalents	37.04	(38.73)	0.31	3.86
Interest & Dividend Received	52.47	133.77	15.02	0.05
<b>Net Cash Generated from Investing Activities</b>	<b>23.46</b>	<b>(715.50)</b>	<b>0.61</b>	<b>(19.82)</b>

<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Share Capital Issued	-	-	-	-
Net of Repayment/ Proceeds from Working Capital Borrowings	(130.44)	235.27	179.79	232.63
Outstanding Installment for purchase of Land	-	514.13	-	-
Net of Repayment/ Proceeds from Long Term Borrowing	-	-	(2.48)	(3.43)
Net of Repayment/Proceeds from Unsecured Short Term Borrowing	(80.00)	149.00	(121.43)	(37.49)
Interest/ Finance Charges Paid	(68.85)	(125.36)	(119.31)	(126.07)
Dividend & Dividend Tax Paid	(4.55)	(1.30)	(1.30)	(2.59)
<b>Net Cash Generated from Investing Activities</b>	<b>(283.83)</b>	<b>771.74</b>	<b>(64.73)</b>	<b>63.05</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>150.79</b>	<b>(2.57)</b>	<b>2.99</b>	<b>(0.17)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>	<b>4.24</b>
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>155.28</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>
<b>Cash and Cash Equivalents comprise of :</b>				
Cash on Hand	4.95	1.69	6.65	3.61
Balance with Bank	150.34	2.81	0.41	0.46
<b>Total</b>	<b>155.28</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>
Notes:				
(1) Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements".				
(2) Cash and cash equivalents at the end of the period represent cash and bank balances and includes from 1-4-19 to 30-9-19 Rs. 1541/- (unrealised gain), FY 2018-19 Rs. 4622/- (unrealised gain), FY 2017-18 Rs. 299/- (unrealised gain), FY 2016-17 Rs 2302/- (unrealised loss) on account of translations of foreign currency balances.				
(3) Previous year's figures have been regrouped/reclassified wherever applicable.				
Note: The above statement should be read with the significant accounting policies and notes to restated financial statements and Annexures I, II, IV(A), IV(B), IV(C) and Annexures V to XXXX.				

**ANNEXURE IV (A)**
**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF RESTATED FINANCIAL STATEMENTS**
**A) CORPORATE INFORMATION:**

Hindprakash Industries Limited ('the Company') is originally incorporated in the name of Hindprakash Lonsen Industries Private Limited on 11th November 2008 under the provisions of the Companies Act, 1956 with Registrar of Companies Gujarat. Subsequently, the name of the company was changed from "Hindprakash Lonsen Industries Private Limited" to "Hindprakash Industries Private Limited" vide fresh Certificate of Incorporation dated 14th March 2018 issued by the Registrar of Companies, Gujarat. Thereafter the Company was converted into a Public Limited Company and name of the Company was changed to "Hindprakash Industries Limited" vide fresh Certificate of Incorporation dated 29th November 2018 issued by the Registrar of Companies, Gujarat. The registered office of the Company is located at 301, Hindprakash House, Plot No.10/6, Phase-1, GIDC, Vatva, Ahmedabad - 382 445.

The Company is engaged in activity of manufacturing, dealing and trading of Dyes, Intermediates, Auxiliary, Chemicals and other merchandise etc.

**B) SIGNIFICANT ACCOUNTING POLICIES:**

**1) (a) BASIS OF PREPARATION OF RESTATED FINANCIAL STATEMENTS:**

The Restated Financial Statement of Assets and Liabilities of the Company as at 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017, the Restated Statement of Profit and Loss, the Restated Statement of Cash flows for the period / years then ended and Notes to Restated financial statements (herein collectively referred to as ('Restated financial statements')) have been compiled by the management from the audited financial statements of the Company for the period / years ended on 30 September 2019, 31 March 2019, 31 March 2018 and 31 March 2017, approved by the Board of Directors of the Company. Restated financial statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(as amended) and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI")(as amended from time to time). The Company's management has prepared the Restated Financial Statements in the form required by Schedule III of the Companies Act, 2013.

As per ICDR Regulations, though the restated financial statements are prepared in accordance with the "Indian GAAP", significant errors, non-provisions, regrouping, other adjustments, if any, relating to previous years has been adjusted and reflected in corresponding period while arriving at the profits or losses for the years to which they relate. The correction of errors has been disclosed in accordance with the requirements of AS 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies".

The restated financial statements are prepared under "historical cost convention" on a going concern assumption on "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and comply with Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government to the extent applicable and with the applicable provisions of the Companies Act, 2013. The company has consistently applied the Accounting Policies in preparation and presentation of the financial statements.

The restated financial statements are presented in Indian rupees.

**(b) USE OF ESTIMATES:**

The presentation of restated financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as at the date of restated financial statements and reported amount of income and expenses during the period. Actual results/outcome could differ from these estimates. Management believes that the estimates used in preparation of the restated financial statements are prudent and reasonable. Any revision to the accounting estimates is recognised prospectively in the period in which such estimates are actually materialized.

**2) FIXED ASSETS:**

All Fixed Assets are valued at cost less depreciation / amortization. Cost [net of Input Tax Credit available] comprises the purchase price and any attributable costs of bringing the asset to its working condition for its

intended use. Financing costs directly attributable to the construction of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready for their intended use.

Capital work in progress is stated at cost. The cost is inclusive of directly attributable expenditure, expenditure during construction period to be allocated to the respective assets on completion of construction period, interest upto the balance sheet date in case of qualifying asset and is adjusted for Input Tax Credit availed of.

Cost of addition or extension to an existing asset, which is of a capital nature and/or which becomes an integral part of the existing asset is capitalised and added to the gross book value of that asset.

All fixed assets are stated at their Historical Costs.

**3) DEPRECIATION:**

Depreciation is charged in the accounts on Fixed Assets on straight-line method. Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act, 2013. Computer software is amortised over a period of 3 years.

Depreciation on assets added / disposed off during the year is charged on pro-rata basis with reference to the month of addition / disposal.

**4) EXPENDITURE DURING THE CONSTRUCTION PERIOD:**

The expenditure incidental to the expansion / new projects is carried forward as “Pre-operative and Project expenditure pending allocation/capitalization” and is allocated to Fixed Assets in the period of commencement of the commercial production / respective assets being put to use.

**5) INVESTMENT:**

Long Term Investments are stated at cost. However, when there is a diminution, other than temporary, in the value of long term investments, the carrying cost is reduced to recognize the diminution.

**6) INVENTORIES:**

- (a) Inventories consisting of Raw Materials, Work-in-Process and Finished Goods are valued at lower of cost and net realizable value. For this purpose, the cost of raw material, finished goods and work-in-process is determined using FIFO/average cost method (net of Input Tax Credit availed) as the case may be.
- (b) Inventories consisting of Stores, Consumables, Spare Parts, and Packing Materials etc. are valued at lower of cost and net realizable value. For this purpose direct costs, and appropriate relevant overheads are apportioned using the FIFO method.

**7) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions are recognised when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent liability is disclosed for:

- (a) Possible obligations which will be confirmed by future events not wholly within the control of the Company, or

- (b) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

**8) REVENUE RECOGNITION:**

- (a) Revenue is recognised to the extent it is possible that economic benefits will flow to the company and the revenue can be reliably measured and there is a reasonable certainty regarding ultimate collection.
- (b) Revenue from sale of products is recognised on transfer of all significant risks and rewards of ownership of the goods to the customers, which generally coincides with the dispatch of goods. Sales are stated exclusive of GST/ VAT, trade discounts and sales returns.
- (c) Export benefits / incentives are accounted on accrual basis in accordance with various government schemes in respect thereof and are shown under "Other Operating Revenue". Benefits available under the Export Licenses and in the nature of duty drawback are accounted for based on eligibility and when there is no significant uncertainty as to its ultimate collection.
- (d) Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- (e) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realization exists.
- (f) Sales for the period prior to 1st July 2017 were/are reported gross of excise duty and net of Value Added Tax (VAT) / sales tax, wherever applicable and Excise Duty was / is reported as separate expense line item as reduction from Gross Sales. Consequent to the introduction of Goods and Service Tax (GST) with effect from 1 July 2017, VAT / Sales tax, Excise Duty etc. have been subsumed into GST, and accordingly sales are reported net of GST, wherever applicable.

**9) PURCHASES:**

Purchases are inclusive of expenses on purchase, import duty etc and are net of taxes (for which credit is available), claims / discount.

Purchases (Imports) are accounted for in the books when the goods is arrived on destination port except in case when goods are sold in transit (on highseas basis), in such cases purchases (Imports) are accounted for in the books immediately on sale. Goods in Transit (Import) are shown by way of note to Balance Sheet.

**10) GST INPUT CREDIT:**

GST input credit claimed on materials / services / capital goods is reduced from the cost of the respective materials / services / capital goods. Closing stock of inventories are valued Net of GST/ input credits.

**11) CUSTOM DUTY:**

Liabilities on account of custom duty on imported materials in transit or in bonded warehouse are accounted only in the year in which the goods are cleared from customs.

**12) FOREIGN CURRENCY TRANSACTION:**

The transactions in foreign currencies are converted into Indian Rupees at the rates of exchange prevailing on the date of transactions.

The balances in Current Assets and Current Liabilities in foreign currencies at the date of Balance Sheet have been converted into Indian Rupees at the rate of exchange prevalent on that date. The resultant net gain/loss arising out of such foreign exchange translations is taken to Profit and Loss Account except in respect of such differences related to acquisition of fixed assets from a country outside India which are capitalized as a part of cost of respective fixed asset.

In respect of transactions covered by Foreign Exchange Forward Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognised as income or expenses over the life of the contract.

**13) GOVERNMENT GRANTS:**

Government Grants are recognized when there is a reasonable assurance that the same will be received. Revenue grants are recognized in the Statement of Profit and Loss. Capital grants relating to specific fixed assets are reduced from the gross value of the respective Fixed Assets. Other capital grants are credited to Capital Reserve.

**14) EMPLOYEES BENEFITS :**

**(a) Defined Contribution Plans:**

The Company contributes on a defined contribution basis to Employees' Provident Fund towards post employment benefits, all of which are administered by the respective Government authorities, and it has no further obligation beyond making its contribution, which is expensed in the period to which it pertains.

**(b) Defined Benefit Plans:**

The Company administers the gratuity scheme being unfunded liability. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses, which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Profit and Loss Account.

**15) BORROWING COST:**

Borrowing costs that are directly attributable to the acquisition/ construction of qualifying Fixed Assets are capitalized as a part of the cost of the respective asset upto the date when such assets are ready for their intended use and borrowing costs other than these costs are charged to Profit and Loss Account.

**16) RELATED PARTY TRANSACTION :**

Disclosure of transactions with Related Parties, as required by "Accounting Standard 18-Related Party Disclosure" has been set out in the Notes on Restated financial statements. Related Parties have been identified on the basis of representations made by key managerial personnel and information available with the company.

**17) OPERATING LEASE:**

Leases are classified as operating leases where the lessor effectively retains substantially all the risks and benefits of the whole ownership of the leased assets. Operating lease payments are recognized as expenses in the statement of Profit and Loss as and when paid.



**18) INCOME TAX:**

Tax expenses comprise of current and deferred tax.

- (a) Current tax is measured at the amount expected to be paid on the basis of relief and deductions available in accordance with the provisions of Indian Income Tax Act, 1961 and includes Minimum Alternate Tax (“MAT”) paid by the company on book profits in accordance with the provisions of the Income Tax Act, 1961. MAT credit is recognised 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 and will be able to set off such MAT credit entitlement.
- (b) Deferred income tax reflects the impact of the current year reversible timing differences between the taxable income and accounting income for the Year and reversal of timing differences of the earlier Year. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**19) IMPAIRMENT OF ASSETS :**

- (a) If at a balance sheet date, there is an indication above impairment of any item of fixed assets, the same is treated as impairment loss and is charged to the statement of Profit and Loss.
- (b) After impairment of an asset, the depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- (c) At a balance sheet date, if there is an indication that a previously recognised impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount and previously recognised impairment loss is reversed.

**20) DERIVATIVE AND HEDGING TRANSACTIONS:**

In respect of derivative contracts, premium paid, gain / loss on settlement and loss on restatement are recognised in Profit and Loss Statement.

**C) CHANGES IN ACCOUNTING POLICIES IN THE PERIODS / YEARS COVERED IN THE RESTATED FINANCIALS:**

There is no change in significant accounting policies adopted by the company except that upto FY 2017-18 liabilities for the Defined Benefit Plan for Gratuity is determined on the basis of Projected Unit Credit Method; however actuarial valuation was not carried out. The company has obtained actuarial valuation report for all the periods covered i.e. 2016-17, 2017-18 and 2018-19 and has restated the accounts after giving retrospective effect of changes in the provision based on actuarial valuation report.

Reconciliation of Statement of Profit and Loss as restated and notes on adjustments carried out in statement of assets and liabilities are given at Annexure IV(B) and Annexure IV(C).

**D) NOTES ON RESTATED FINANCIAL STATEMENTS:**

1. The Restated financial statements have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the Restated financial statements / information may not necessarily be same as those appearing in the respective audited Financial Statements for the relevant years

2. In the opinion of the board, 'Trade Receivable', 'Loans and Advances' and 'Other Current Asset' are approximately of the value stated if realized in the ordinary course of business. Confirmation Letters have not been obtained in respect of Trade Receivables, Trade Payables, loans taken and loans/advances given. Accordingly such balances are subject to confirmation, reconciliation and consequent adjustments, if any.
3. In the opinion of the Board, provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
4. Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
5. Amounts in the Restated financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.
6. The figures for the period 1-4-2019 to 30-9-2019 are for six months as compared to figures of other stated financial year are for twelve months. To that extent figures are not comparable.

**ANNEXURE - IV (B)****Reconciliation of Statement of Profit and Loss as Restated****(All Amount in INR, unless otherwise stated)****IMPACT ON RESTATED PROFIT**

The Financial of the material adjustments made to reported figures in the audited Financial Statements of the respective years and their impact on the restated Financial statement of profit and loss have been given as under:

(INR in Lakhs)

Adjustments for	Note No.	01/04/19 to 30/09/19	2018-19	2017-18	2016-17
Net profit/(Loss) after Tax as per Audited Statement of Profit & Loss Account attributable to Owners		177.81	286.34	234.77	210.94
<b>Adjustments for:</b>					
Gratuity Provision	1	-	(4.96)	(3.06)	3.56
Prior Period Expenses - Professional Tax	2	-	0.02	(0.02)	-
Prior Period Income - Export Incentive	3	-	(0.90)	(2.82)	3.72
Current Tax Impact due to above adjustment	4	-	0.44	0.79	(1.23)
Deferred Tax Impact due to above adjustment	5	-	1.80	0.85	(1.18)
Income Tax Prior Period	6	-	0.68	1.40	(1.55)
<b>Net Profit/ (Loss) After Tax as Restated</b>		<b>177.81</b>	<b>283.42</b>	<b>231.91</b>	<b>214.26</b>

Explanatory notes to the above restatements made in the audited Financial Statements of the Company for the respective years : Adjustments having impact on Profit

1. Gratuity Provision: The Company has provided for Gratuity in respective years based on Projected Unit Credit Method, based on calculation made in house. Now the company has obtained Actuarial Valuation Report for each of the year presented in Restated Financial Statements. In the Restated Financial Statements, the expenditure and corresponding liability is restated as per actuarial valuation report.

2. Prior period Expenses: Professional Tax has been transferred and restated in the year in which it relates.
3. Prior period Income: Export Incentive income has been transferred and restated in the year in which it relates.
4. Current Tax Impact due to above adjustments: Provision for current tax has been adjusted in each of the year presented in Restated Financial Statement.
5. Provision For Deferred Tax: Provision for deferred tax has been recalculated due to restatement of Gratuity provisions and restated provisions are disclosed in Restated Financial Statements.
6. Income Tax Prior Period: Income Tax Prior Period has been transferred and restated in the year in which it relates

## ANNEXURE - IV (C)

**Note on Adjustments carried out in Statement of Assets and Liabilities as Restated**

(All Amount in INR, unless otherwise stated)

**(a) IMPACT ON RESTATED EQUITY / NET WORTH**

The Financial of the material adjustments made to reported figures in the audited Financial Statements of the respective years and their impact on the Restated Equity / Net Worth have been given as under:

(INR in Lakhs)

Adjustments for	Note No	As at 30th September, 2019	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Equity / Net worth as per Audited Financial Statement		2,123.83	1,950.56	1,665.52	1,432.05
<b>Adjustment For:</b>					
Net Impact on Restated Profit due to adjustments disclosed in Annexure IV (B)		-	(2.92)	(2.86)	3.32
Adjustment to opening balance of surplus in statement of profit and loss due to restatement carried out in previous periods	1	-	2.92	5.77	2.45
<b>Equity / Net worth as Restated</b>		<b>2,123.83</b>	<b>1,950.56</b>	<b>1,668.44</b>	<b>1,437.83</b>

**Explanatory notes to the above restatements made in the audited Financial Statements of the Company for the respective years.**

1. Opening balance of surplus in statement of profit and loss has been adjusted on account of cumulative effect of restatement carried out in previous periods

**(b) OTHER ADJUSTMENTS**

1. Appropriate adjustments have been made in the restated Financial Statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financial of the company for all the years and requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

2. Disclosure as per requirement of AS 15 (Revised) : Employee Benefit: Upto Financial year 2017 - 18, the company has provided for Gratuity based on inhouse calculation of Gratuity based on Projected Unit Credit Method. Now the company has obtained Actuarial Valuation Report for the each of the period presented in restated financial statement. The details disclosure as prescribed in accounting standard AS 15 (Revised): Employee Benefit, has been restated as per assumptions applied and details provided by the actuary in its reports. Refer Annexure XXXX.

## ANNEXURE-V

## Share Capital As Restated

(Rs. in Lakhs)

Share Capital	As at 30/09/19		As at 31/03/19		As at 31/03/18		As at 31/03/17	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Authorised</b>								
Equity Shares of Rs. 10/- each	115,00,000	1,150.00	11,500,000	1,150.00	2,500,000	250.00	2,500,000	250.00
<b>Issued</b>								
Equity Shares of Rs. 10/- each	75,44,110	754.41	7,544,110	754.41	2,155,460	215.55	2,155,460	215.55
<b>Subscribed &amp; Paid up</b>								
Equity Shares of Rs. 10/- each fully paid	75,44,110	754.41	7,544,110	754.41	2,155,460	215.55	2,155,460	215.55
<b>Per Balance Sheet</b>	75,44,110	754.41	7,544,110	754.41	2,155,460	215.55	2,155,460	215.55
Note:								
1. Rights, preferences and restrictions attached to shares:								
<b>Equity Shares:</b>								
The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.								
Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period								
Particulars	As at 30/09/19		As at 31/03/19		As at 31/03/18		As at 31/03/17	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Equity Shares of Rs. 10/- each:</b>								
Shares outstanding at	75,44,110	754.41	2,155,460	215.55	2,155,460	215.55	2,155,460	215.55

the beginning of the year								
Add: Shares Issued during the year		-	-	-	-	-	-	-
Add: Bonus Shares Issued during the year		-	5,388,650	538.87	-	-	-	-
Less: Shares bought back during the year		-	-	-	-	-	-	-
Shares outstanding at the end of the year	<b>75,44,110</b>	<b>754.41</b>	<b>7,544,110</b>	<b>754.41</b>	<b>2,155,460</b>	<b>215.55</b>	<b>2,155,460</b>	<b>215.55</b>
Shares in the company held by each shareholder holding more than 5 percent shares								
Name of Shareholder	As at 30/09/19		As at 31/03/19		As at 31/03/18		As at 31/03/17	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dimple S Mangal	7,70,000	10.21%	770,000	10.21%	420,000	19.49%	420,000	19.49%
Om Prakash Mangal	14,70,000	19.49%	1,470,000	19.49%	420,000	19.49%	420,000	19.49%
Priyata S Mangal	13,04,555	17.29%	1,304,555	17.29%	172,730	8.01%	172,730	8.01%
Radhika S Mangal	10,24,435	13.58%	1,024,435	13.58%	172,730	8.01%	172,730	8.01%
Sanjay Prakash Mangal	10,85,155	14.38%	1,085,155	14.38%	420,010	19.49%	419,920	19.48%
Vedant S Mangal	14,70,000	19.49%	1,470,000	19.49%	420,000	19.49%	420,000	19.49%
53,88,650 Equity Shares allotted as fully paid up as Bonus Shares during FY 2018 - 19.								

## ANNEXURE-VI

## Reserves and Surplus As Restated

(Rs. in Lakhs)

<u>Particulars</u>	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Securities Premium on Equity Shares Account</b>				
Opening Balance	-	202.21	202.21	202.21
Add : Securities premium credited on Share issue	-	-	-	-
Less : Amount utilised for issue of Bonus Shares	-	(202.21)	-	-
Closing Balance	-	-	<b>202.21</b>	<b>202.21</b>
<b>Surplus in the Statement of profit and loss</b>				
Balance as per the last financial statements	1,196.15	1,250.69	1,020.08	805.81
Less: Amount utilised for issue of Bonus Shares	-	(336.66)	-	-
Add: Net Profit/(Net Loss) For the current year	177.81	283.42	231.91	214.26
Less: Dividend on Equity Shares (relates to FY 2017-18, FY 2017-18, FY 2016-17, FY 2015-16 respectively)	(3.77)	(1.08)	(1.08)	-
Less: Tax on Dividend (relates to FY 2017-18, FY 2017-18, FY 2016-17, FY 2015-16 respectively)	(0.78)	(0.22)	(0.22)	-
Closing Balance	<b>1,369.41</b>	<b>1,196.15</b>	<b>1,250.69</b>	<b>1,020.08</b>
<b>Per Balance Sheet</b>	<b>1,369.41</b>	<b>1,196.15</b>	<b>1,452.90</b>	<b>1,222.28</b>

## ANNEXURE-VII

## Long Term Borrowings As Restated

(Rs. in Lakhs)

<u>Particulars</u>	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Secured</b>				
<b>From Bank</b>				
HDFC Bank Limited (Vehicle Loans) (Secured against respective Vehicle)	-	-	-	2.48
<b>Per Balance Sheet</b>	-	-	-	<b>2.48</b>

**1. Maturity Profile (Repayment) of Vehicle Loans (Repayable in monthly EMI)**

<b>FY 2017 - 18</b>	3.43
<b>FY 2018 - 19</b>	2.48
2. The rate of interest applicable to the vehicle loan is 9.60% per annum.	

## ANNEXURE-VIII

## Deferred tax liabilities (Net) As Restated

(Rs. in Lakhs)

Particular of Timing Difference	Liabilities				Assets			
	As at 30/09/19	As at 31/03/19	As at 31/03/18	As at 31/03/17	As at 30/09/19	As at 31/03/19	As at 31/03/18	As at 31/03/17
Difference between book and tax depreciation	18.61	17.97	17.99	19.98	-	-	-	-
Expenses u/s 35D	-	-	-	-	-	-	-	-
Employee Benefit	-	-	-	-	11.52	9.12	7.29	10.79
Other Expenses on payment basis (U/s 43B/40(a)(ia) etc.	-	-	-	-	0.24	0.46	0.49	0.68
Total Deffered Tax Liabilites	18.61	17.97	17.99	19.98				
Total Deffered Tax Assets					11.76	9.58	7.78	11.47
<b>Net Deffered Tax Assets/Liabilities</b>	<b>6.85</b>	<b>8.39</b>	<b>10.21</b>	<b>8.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ANNEXURE- IX

## Other Long Term Liabilities As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Unsecured</b>				
Other Long Term Libilities (Gujarat Industrial Development Corporation, Saykha, Ankleshwar) (Outstanding installment for purchase of Lease hold Land at Saykha payable after 12 months)	514.13	514.13	-	-
<b>Per Balance Sheet</b>	<b>514.13</b>	<b>514.13</b>	<b>-</b>	<b>-</b>



**1. Maturity Profile (Repayment) of above liability / GIDC Installment.**

FY 2020 – 21	16.07
FY 2021 – 22	64.27
FY 2022 – 23	64.27
FY 2023 – 24	64.27
FY 2024 – 25	64.27
FY 2025 – 26	64.27
FY 2026 – 27	64.27
FY 2027 – 28	64.27
FY 2028 – 29	48.20

**2. The rate of interest applicable to the GIDC installment is 12% per annum.**
**ANNEXURE- X**
**Long Term Provisions As Restated**
*(Rs. in Lakhs)*

<b>Particulars</b>	<b>As at</b>			
	<b>30/09/19</b>	<b>31/03/19</b>	<b>31/03/18</b>	<b>31/03/17</b>
<b>Provision for employee benefits</b>				
Gratuity (unfunded)	30.31	26.38	19.12	22.24
<b>Per Balance Sheet</b>	<b>30.31</b>	<b>26.38</b>	<b>19.12</b>	<b>22.24</b>

**ANNEXURE- XI**
**Short Term Borrowings As Restated**
*(Rs. in Lakhs)*

<b>Particulars</b>	<b>As at</b>			
	<b>30/09/19</b>	<b>31/03/19</b>	<b>31/03/18</b>	<b>31/03/17</b>
<b>Secured</b>				
<b>Loan repayable on demand</b>				
IDBI BANK LTD (Cash Credit Account) (See Note No. 1 below)	1,231.96	1,362.40	1,127.12	947.33
	<b>1,231.96</b>	<b>1,362.40</b>	<b>1,127.12</b>	<b>947.33</b>
<b>Unsecured</b>				
<b>Loans repayable on demand</b>				
from Shareholders	12.50	12.50	13.50	134.93
from Director	70.00	150.00	-	-
	<b>82.50</b>	<b>162.50</b>	<b>13.50</b>	<b>134.93</b>
<b>Per Balance Sheet</b>	<b>1,314.46</b>	<b>1,524.90</b>	<b>1,140.62</b>	<b>1,082.26</b>

1 The Company has created a charge in favour of IDBI Bank Ltd, to the extent of FY 2019-20 (upto 30-9-19) Rs 1500 Lacs, FY 2018 - 19 Rs. 1500 Lacs, FY 2017 - 18 Rs. 1500 Lacs, FY 2016 - 17 Rs. 1500 Lacs by way of hypothecation of moveable properties including moveable plant and machineries etc. and Raw Material, Goods, Book Debts, Vehicles and all other moveables of the company as a security for Cash Credit and other working capital facilities. The above facilities are further collaterally secured by way of equitable mortgage of company's shed no. A2-114 and A2-115, Vatva Industrial Estate, Phase II, GIDC, Ahmedabad. The above facilities are further guaranteed by two directors of the company in their personal capacity.

## ANNEXURE- XII

## Trade Payable As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
Due to Micro & Small Enterprise (Refer Annexure XXXIV)	4.19	4.13	-	-
Due to Others	642.43	702.66	230.85	810.00
Current Liability for Expenses	113.92	63.76	15.44	17.46
<b>Per Balance Sheet</b>	<b>760.54</b>	<b>770.54</b>	<b>246.30</b>	<b>827.46</b>

## ANNEXURE- XIII

## Other Current Liabilities As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
(a) Current maturities of long-term debt / Liability				
- HDFC Bank Vehicle Loan Installments repayable with in 12 Months (Secured) (See Annexure VII)	-	-	2.48	3.43
- GIDC Installment repayable with in 12 Months (Unsecured) (See Annexure IX)	-	-	-	-
(b) Advance from Customers	4.12	2.35	2.07	2.00
(c) Other Statutory Liability	1.88	7.41	3.51	32.82
(c) Foreign Exchange Forward Contract Payable	1.19			
(d) Others	-	0.16	0.16	12.96
<b>Per Balance Sheet</b>	<b>7.19</b>	<b>9.92</b>	<b>8.22</b>	<b>51.22</b>

## ANNEXURE- XIV

## Short Term Provisions As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Provision for employee benefits</b>				
Leave Encashment (unfunded)	9.50	8.22	6.23	8.39
Gratuity (unfunded)	4.51	0.49	2.36	1.99
<b>Others</b>				
Income Tax [Net of Prepaid Tax]	22.05	-	14.88	9.96
Excise Duty Payable on Finished Goods	-	-	-	14.83
<b>Per Balance Sheet</b>	<b>36.06</b>	<b>8.71</b>	<b>23.47</b>	<b>35.17</b>

Property Plant & Equipments As Restated - 01-04-19 to 30-09-19

Annexure – XV  
(INR in Lakhs)

	Property Plant & Equipments	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2019	Additions/ (Disposals)	(Disposals)/ Adjustments	Balance as at 30 Sep.'2019	Balance as at 1 April 2019	Depreciation charge for the year	(Disposals)/ Adjustments	Balance as at 30 Sep.'2019	Balance as at 30 Sep.'2019	Balance as at 31 Mar.'2018
a	<b>Tangible Assets (Own use)</b>										
	Land (Lease Hold)	96.10	5.55	-	101.65	-	-	-	-	101.65	96.10
	Land - Saykha (Lease Hold)	780.81	12.00	-	792.81	-	-	-	-	792.81	780.81
	Factory Buildings	85.37	2.92	-	88.29	17.34	1.36	-	18.70	69.59	68.03
	Other Buildings	66.02	-	-	66.02	10.04	1.25	-	11.29	54.74	55.98
	Plant and Equipment	110.23	-	-	110.23	36.59	3.57	-	40.16	70.07	73.64
	Furniture and Fixtures	1.44	-	-	1.44	0.39	0.06	-	0.46	0.99	1.05
	Office equipment	12.67	-	-	12.67	4.78	1.10	-	5.88	6.79	7.89
	Electrical Installation	0.55	-	-	0.55	0.53	-	-	0.53	0.03	0.03
	Computers	5.03	-	-	5.03	4.51	0.08	-	4.59	0.44	0.52
	Vehicles	25.99	-	-	25.99	15.20	1.57	-	16.77	9.22	10.79
	Laboratory Equipments	2.51	0.14	-	2.65	1.79	0.15	-	1.94	0.71	0.72
	<b>Total (a)</b>	1,186.74	20.61	-	1,207.35	91.18	9.13	-	100.31	1,107.04	1,095.56
	<b>Previous Year</b>	401.08	785.86	(0.20)	1,186.74	72.88	18.35	(0.05)	91.18	1,095.56	328.20
b	<b>Intangible Assets (b)</b>										
	Computer Software	5.03	-	-	5.03	3.41	0.68	-	4.09	0.93	1.62

	<b>Total (b)</b>	5.03	-	-	5.03	3.41	0.68	-	4.09	0.93	1.62
	<b>Previous Year</b>	5.03	-	-	5.03	1.84	1.57	-	3.41	1.62	3.19
<b>c</b>	<b>Capital Work In Progress (c)</b>	24.89	45.45	-	70.33	-	-	-	-	70.33	24.89
	<b>Total (C)</b>	24.89	45.45	-	70.33	-	-	-	-	70.33	24.89
	<b>Previous Year</b>	-	24.89	-	24.89	-	-	-	-	24.89	-
	<b>Total (a + b + c)</b>	1,216.65	66.06	-	1,282.70	94.58	9.82	-	104.40	1,178.30	1,122.06
	<b>Previous Year</b>	406.10	810.74	(0.20)	1,216.65	74.72	19.92	(0.05)	94.58	1,122.06	331.39

Note: Capital Work in Progress include interest and expenditure incidental to the new projects which is carried forward as “Pre-operative and Project expenditure pending allocation/capitalization”

Property Plant & Equipments As Restated - 2018-19

(Rs. in Lakhs)

	Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
		Balance as at 1 April 2018	Additions/ (Disposals)	(Disposals) / Adjustments	Balance as at 31 Mar.'2019	Balance as at 1 April 2018	Depreciation charge for the year	(Disposals) / Adjustments	Balance as at 31 Mar.'2019	Balance as at 31 Mar.'2019	Balance as at 31 Mar.'2018
a	<b>Tangible Assets (Own use)</b>										
	Land (Lease Hold)	96.10	-	-	96.10	-	-	-	-	96.10	96.10
	Land - Saykha (Lease Hold)	-	780.81	-	780.81	-	-	-	-	780.81	-
	Factory Buildings	85.37	-	-	85.37	14.65	2.69	-	17.34	68.03	70.72
	Other Buildings	66.02	-	-	66.02	7.55	2.50	-	10.04	55.98	58.48
	Plant and Equipment	106.89	3.55	(0.20)	110.23	29.55	7.10	(0.05)	36.59	73.64	77.34
	Furniture and Fixtures	1.01	0.43	-	1.44	0.29	0.10	-	0.39	1.05	0.72
	Office equipment	11.97	0.70	-	12.67	2.58	2.20	-	4.78	7.89	9.39
	Electrical Installation	0.55	-	-	0.55	0.45	0.08	-	0.53	0.03	0.11
	Computers	4.67	0.36	-	5.03	4.26	0.25	-	4.51	0.52	0.41
	Vehicles	25.99	-	-	25.99	12.06	3.14	-	15.20	10.79	13.93
	Laboratory Equipments	2.51	-	-	2.51	1.50	0.29	-	1.79	0.72	1.01
	<b>Total (a)</b>	401.08	785.86	(0.20)	1,186.74	72.88	18.35	(0.05)	91.18	1,095.56	328.20
	<b>Previous Year</b>	390.39	16.52	(5.84)	401.08	57.87	17.37	(2.35)	72.88	328.20	332.53
b	<b>Intangible Assets (b)</b>										
	Computer Software	5.03	-	-	5.03	1.84	1.57	-	3.41	1.62	3.19
	<b>Total (b)</b>	5.03	-	-	5.03	1.84	1.57	-	3.41	1.62	3.19

	<b>Previous Year</b>	5.03	-	-	5.03	0.27	1.57	-	1.84	3.19	4.76
c	<b>Capital Work In Progress (c)</b>	-	24.89	-	24.89	-	-	-	-	24.89	-
	<b>Total (C)</b>	-	24.89	-	24.89	-	-	-	-	24.89	-
	<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total (a + b + c)</b>	406.10	810.74	(0.20)	1,216.65	74.72	19.92	(0.05)	94.58	1,122.06	331.39
	<b>Previous Year</b>	395.42	16.52	(5.84)	406.10	58.13	18.94	(2.35)	74.72	331.39	337.29

**Property Plant & Equipments As Restated - 2017-18**
*(Rs. in Lakhs)*

	Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
		Balance as at 1 April 2017	Additions / (Disposals)	(Disposals) / Adjustments	Balance as at 31 Mar.'2018	Balance as at 1 April 2017	Depreciation charge for the year	(Disposals) / Adjustments	Balance as at 31 Mar.'2018	Balance as at 31 Mar.'2018	Balance as at 31 Mar.'2017
a	<b>Tangible Assets (Own use)</b>										
	Land (Lease Hold)	96.10	-	-	96.10	-	-	-	-	96.10	96.10
	Factory Buildings	78.24	7.13	-	85.37	12.09	2.56	-	14.65	70.72	66.15
	Other Buildings	66.02	-	-	66.02	5.05	2.50	-	7.55	58.48	60.97
	Plant and Equipment	112.72	-	(5.84)	106.89	24.88	7.03	(2.35)	29.55	77.34	87.85
	Furniture and Fixtures	1.01	-	-	1.01	0.19	0.10	-	0.29	0.72	0.82
	Office equipment	2.58	9.39	-	11.97	1.37	1.21	-	2.58	9.39	1.22
	Electrical Installation	0.55	-	-	0.55	0.37	0.08	-	0.45	0.11	0.19
	Computers	4.67	-	-	4.67	3.80	0.46	-	4.26	0.41	0.87
	Vehicles	25.99	-	-	25.99	8.92	3.14	-	12.06	13.93	17.07
	Laboratory Equipments	2.51	-	-	2.51	1.21	0.29	-	1.50	1.01	1.30

	<b>Total (a)</b>	390.39	16.52	(5.84)	401.08	57.87	17.37	(2.35)	72.88	328.20	332.53
	<b>Previous Year</b>	371.69	18.70	-	390.39	42.18	15.69	-	57.87	332.53	329.51
b	<b>Intangible Assets (b)</b>										
	Computer Software	5.03	-	-	5.03	0.27	1.57	-	1.84	3.19	4.76
	<b>Total (b)</b>	5.03	-	-	5.03	0.27	1.57	-	1.84	3.19	4.76
	<b>Previous Year</b>	-	5.03	-	5.03	-	0.27	-	0.27	4.76	-
c	<b>Capital Work In Progress</b>										
	<b>Total (c)</b>	-	-	-	-	-	-	-	-	-	-
	<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total (a + b + c)</b>	395.42	16.52	(5.84)	406.10	58.13	18.94	(2.35)	74.72	331.39	337.29
	<b>Previous Year</b>	371.69	23.73	-	395.42	42.18	15.95	-	58.13	337.29	329.51

**Property Plant & Equipments As Restated - 2016-17**
*(Rs. in Lakhs)*

	Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
		Balance as at 1 April 2016	Additions/ (Disposals)	(Disposals) / Adjustments	Balance as at 31 Mar.'2017	Balance as at 1 April 2016	Depreciation charge for the year	(Disposals) / Adjustments	Balance as at 31 Mar.'2017	Balance as at 31 Mar.'2017	Balance as at 31 March 2016
a	<b>Tangible Assets (Own use)</b>										
	Land (Lease Hold)	96.10	-	-	96.10	-	-	-	-	96.10	96.10
	Factory Buildings	78.24	-	-	78.24	9.62	2.47	-	12.09	66.15	68.62
	Other Buildings	66.02	-	-	66.02	2.56	2.50	-	5.05	60.97	63.47
	Plant and Equipment	94.95	17.77	-	112.72	18.62	6.25	-	24.88	87.85	76.33
	Furniture and Fixtures	0.30	0.71	-	1.01	0.12	0.07	-	0.19	0.82	0.18
	Office equipment	2.58	-	-	2.58	0.92	0.45	-	1.37	1.22	1.67
	Electrical Installation	0.55	-	-	0.55	0.29	0.08	-	0.37	0.19	0.26
	Computers	4.44	0.23	-	4.67	3.35	0.45	-	3.80	0.87	1.09
	Vehicles	25.99	-	-	25.99	5.78	3.14	-	8.92	17.07	20.21
	Laboratory Equipments	2.51	-	-	2.51	0.93	0.29	-	1.21	1.30	1.58
	<b>Total (a)</b>	371.69	18.70	-	390.39	42.18	15.69	-	57.87	332.53	329.51
	<b>Previous Year</b>	297.98	73.71	-	371.69	28.27	13.91	-	42.18	329.51	269.71
b	<b>Intangible Assets (b)</b>										
	Computer Software	-	5.03	-	5.03	-	0.27	-	0.27	4.76	-
	<b>Total (b)</b>	-	5.03	-	5.03	-	0.27	-	0.27	4.76	-
	<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-
c	<b>Capital Work In Progress</b>	-	-	-	-	-	-	-	-	-	-



***Hindprakash Industries Limited***

	<b>Total (c)</b>	-	-	-	-	-	-	-	-	-	-
	<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total (a + b + c)</b>	371.69	23.73	-	395.42	42.18	15.95	-	58.13	337.29	329.51
	<b>Previous Year</b>	297.98	73.71	-	371.69	28.27	13.91	-	42.18	329.51	269.71

## ANNEXURE- XVI

## Non Current Investments (Long Term Investment) As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Non Trade Investment at Cost (Unquoted)</b>				
<b>Others</b>				
50 (50) Shares of Green Environment Service Co-op Society Ltd	3.00	3.00	3.00	3.00
Green Environment Water Booking	0.70	0.70	0.70	0.70
<b>Per Balance Sheet</b>	<b>3.70</b>	<b>3.70</b>	<b>3.70</b>	<b>3.70</b>

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
Aggregate amount of Quoted Investment	Nil	Nil	Nil	Nil
Aggregate Market Value of Quoted Investment	NA	NA	NA	NA
Aggregate amount of Unquoted Investment	3.70	3.70	3.70	3.70

## ANNEXURE- XVII

## Long Term Loans and Advances(Unsecured, considered good) As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
Prepaid Income Tax / Advance Tax / T.D.S. (Net of Provisions, if any)	22.77	22.78	-	-
Deposit	1.94	1.94	1.04	1.04
<b>Per Balance Sheet</b>	<b>24.71</b>	<b>24.73</b>	<b>1.04</b>	<b>1.04</b>

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Long-term Loans and Advances include due from:</b>				
Director	-	-	-	-
Other Officers of the Company	-	-	-	-
Firm in which any director is partner	-	-	-	-
Private Company in which director is director or member	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ANNEXURE- XVIII

## Inventories (As taken, valued and certified by the management) As Restated

(Rs. in Lakhs)

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
Raw Materials and components (Valued at or below cost)	879.02	886.84	783.34	858.74
Finished goods (Valued at or below cost)	181.79	153.63	193.28	123.01

Packing Material (Valued at or below cost)	9.90	7.58	7.26	5.92
Stores and Consumable (Valued at or below cost)	-	-	0.01	-
MEIS Licence (Valued at or below cost)	4.85	-	0.74	-
<b>Per Balance Sheet</b>	<b>1,075.56</b>	<b>1,048.05</b>	<b>984.63</b>	<b>987.67</b>

**Note:**

1 Value of Raw Material shown above is exclusive of Stock / Goods in transit (Import) of 30-9-19 Rs Nil, FY 2018 - 19 Rs. Nil, FY 2017 - 18 Rs. 18,15,660/-, FY 2016 - 17 Rs. 4,66,08,458/-. Corresponding liability is also not provided under the head Trade Payable.

**ANNEXURE- XIX**
**Trade Receivables(Unsecured and Considered good) As Restated**
*(Rs. in Lakhs)*

<u>Particulars</u>	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
Over Six Months	55.30	57.49	83.28	61.32
Others	1,914.34	2,153.37	1,255.23	1,581.51
<b>Per Balance Sheet</b>	<b>1,969.64</b>	<b>2,210.86</b>	<b>1,338.51</b>	<b>1,642.83</b>
<u>Particulars</u>	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Trade Receivable include due from:</b>				
Director	-	-	-	-
Other Officers of the Company	-	-	-	-
Firm in which any director is partner	-	-	-	-
Private Company in which director is director or member	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE- XX**
**Cash and Bank Balance As Restated**
*(Rs. in Lakhs)*

<u>Particulars</u>	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>A. Cash and Cash Equivalents</b>				
(a) Cash on hand	4.95	1.69	6.65	3.61
(b) Balances with banks				
(i) In Current Account	150.34	2.81	0.41	0.46
(ii) In Bank Deposit (original maturity of 3 months or less) (Not under lien for security)	-	-	-	-
<b>Total Cash and Cash Equivalents</b>	<b>155.29</b>	<b>4.50</b>	<b>7.06</b>	<b>4.07</b>
<b>B. Other Bank Balances (See Note No. 1 below)</b>				
(a) Other Bank Deposits (original maturity of 3 months or less) (under lien for security)	-	-	-	-
(b) Other Bank Deposits (Original Maturity more than 3 months) (See Note No. 1 and 2 below)	1.69	38.73	-	0.31
<b>Total Other Bank Balances</b>	<b>1.69</b>	<b>38.73</b>	<b>-</b>	<b>0.31</b>
<b>Per Balance Sheet</b>	<b>156.98</b>	<b>43.23</b>	<b>7.06</b>	<b>4.38</b>

1. 1. Other Bank Deposit include 30-9-19 Rs Nil, FY 2018 - 19 Rs. Nil, FY 2017 - 18 Rs. Nil, FY 2016 - 17 Rs. Nil deposits with remaining maturity of more than 12 months from the balance sheet date.

2. Bank Deposits includes 30-9-19 Rs 1,68,973/-, FY 2018 - 19 Rs. 38,72,828/-, FY 2017 - 18 Rs. Nil, FY 2016 - 17 Rs. 30,505/- pledge for Import Letter of Credit Facility / pledge with Commercial Tax Department.

**ANNEXURE- XXI**
**Short Term Loans and Advances as Restated**
**(Rs. in Lakhs)**

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>a. Loans and Advance to Related parties</b>	-	-	-	-
<b>b. Others (Unsecured, considered good)</b>				
Loans to Employees	0.07	-	0.10	0.55
Prepaid Expenses	1.70	1.73	1.72	3.08
Deposits	0.70	-	0.80	0.30
GST / Export Incentive Receivable	340.18	339.58	424.72	469.82
Advances to Suppliers	19.49	3.40	22.51	8.31
Forward Option	-	-	-	8.01
Others	22.33	16.19	0.20	0.18
<b>Per Balance Sheet</b>	<b>384.47</b>	<b>360.90</b>	<b>450.05</b>	<b>490.25</b>

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
<b>Loans and Advances include due from:</b>				
Director	-	-	-	-
Other Officers of the Company	-	-	-	-
Firm in which any director is partner	-	-	-	-
Private Company in which director is director or member	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**ANNEXURE- XXII**
**Other Current Assets As Restated**
**(Rs. in Lakhs)**

Particulars	As at			
	30/09/19	31/03/19	31/03/18	31/03/17
Others	-	-	-	-
<b>Per Balance Sheet</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## ANNEXURE- XXIII

## Revenue from Operations As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Sale of Products	4,995.15	9,660.20	8,894.98	9,421.46
Sale of Services	-	-	21.00	-
Other operating revenues	15.49	5.40	3.41	10.88
Less: Excise duty	-	-	(186.86)	(820.99)
<b>Per Statement of Profit and Loss</b>	<b>5,010.64</b>	<b>9,665.60</b>	<b>8,732.53</b>	<b>8,611.35</b>

Note:

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
(i) Sale of Product Comprises - Manufactured Goods				
- Auxiliary	458.73	615.84	673.11	623.53
- Dyes	4,155.88	7,146.30	6,100.90	5,946.18
- Others	105.49	258.80	42.28	-
(ii) Sale of Product Comprises - Trading Goods				
- Dyes	228.64	737.70	599.56	2,029.58
- Intermediate	25.45	895.52	1,292.27	-
- Others	20.96	6.04	-	1.18
<b>Total</b>	<b>4,995.15</b>	<b>9,660.20</b>	<b>8,708.12</b>	<b>8,600.47</b>
(iii) Other operating revenues includes				
- Export Incentive Income	15.49	5.40	3.41	10.88
<b>Total</b>	<b>15.49</b>	<b>5.40</b>	<b>3.41</b>	<b>10.88</b>

## ANNEXURE- XXIV

## Other Income As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Interest Income (Refer Note 1 below)	52.47	133.77	15.02	0.05
Other non-operating income (net of expenses directly attributable to such income) (Refer Note 2 below)	0.69	0.06	0.03	0.38
Profit on Sale of Fixed Assets	-	0.05	-	-
<b>Per Statement of Profit and Loss</b>	<b>53.16</b>	<b>133.88</b>	<b>15.05</b>	<b>0.43</b>

Note: 1

Interest Income Comprises:				
- Interest from banks on Deposit	0.31	2.17	0.02	0.05
- Interest Income Others	0.00	-	15.00	-

- Interest income from Trade Receivable	52.16	131.60	-	-
<b>Total</b>	<b>52.47</b>	<b>133.77</b>	<b>15.02</b>	<b>0.05</b>

Note: 2

Other Non Operating Income Comperises:				
- Sale of Scrap / Packing Material	0.55	0.01	-	0.33
- Exchnage Rate difference Others	0.06	0.05	0.03	0.05
<b>-Balance Written Off</b>	<b>0.08</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>0.69</b>	<b>0.06</b>	<b>0.03</b>	<b>0.38</b>

**ANNEXURE- XXV**
**Cost of Materials Consumed (including Cost of Traded Goods Sold) As Restated**
*(Rs. in Lakhs)*

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Opening Stock	886.84	783.34	858.74	675.73
Add : Purchases and incidental expenses (Net of returns, claims & discount, if any)	4,494.70	8,862.74	7,853.15	7,749.79
Less : Closing Stock	(879.02)	(886.84)	(783.34)	(858.74)
<b>Per Statement of Profit and Loss</b>	<b>4,502.52</b>	<b>8,759.24</b>	<b>7,928.55</b>	<b>7,566.78</b>

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
- Auxiliary	334.64	384.19	490.91	502.98
- Basic Chemical	234.87	476.67	173.46	87.19
- Dyes	3,907.92	7,028.76	5,980.08	6,960.68
- Intermediate	24.40	861.92	1,282.12	-
- Others	0.69	7.70	1.98	15.93
<b>Total</b>	<b>4,502.52</b>	<b>8,759.24</b>	<b>7,928.55</b>	<b>7,566.78</b>

Value of Material Consumed	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Imported – Value	429.45	1,256.93	2,792.73	3,924.29
Imported - %	9.54%	14.35%	35.22%	51.86%
Indigenous – Value	4,073.07	7,502.31	5,135.82	3,642.50
Indigenous - %	90.46%	85.65%	64.78%	48.14%
<b>Total – Value</b>	<b>4,502.52</b>	<b>8,759.24</b>	<b>7,928.55</b>	<b>7,566.79</b>
<b>Total - %</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## ANNEXURE- XXVI

## Changes in Inventories of Finished Goods As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
<b>Opening Stock :</b>				
Finished Goods	153.63	193.28	123.01	159.98
<b>Closing Stock :</b>				
Finished Goods	(181.79)	(153.63)	(193.28)	(123.01)
Add/(Less): Excise Duty adjustments on Finished Goods		-	-	(5.09)
<b>Per Statement of Profit and Loss</b>	<b>(28.16)</b>	<b>39.65</b>	<b>(70.27)</b>	<b>31.88</b>

## ANNEXURE- XXVII

## Employee Benefits Expense As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Salaries and Wages	78.66	142.14	151.83	143.84
Contributions to Provident Fund and Other Fund	2.80	5.33	4.82	4.91
Gratuity and Leave Encashment / Reversal	9.63	9.30	1.55	6.95
Staff welfare expenses	0.98	2.47	3.64	2.75
<b>Per Statement of Profit and Loss</b>	<b>92.07</b>	<b>159.24</b>	<b>161.84</b>	<b>158.45</b>

## ANNEXURE- XXVIII

## Other Expenses As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
<b>Manufacturing Expenses</b>				
Consumption of Stores and Spare Parts	0.10	0.05	0.12	0.05
Insurance	0.11	0.18	0.22	-
Excise Duty (* )	-	-	(3.09)	-
Packing Material Consumed and Packing Expenses	23.98	46.37	33.70	44.69
Power and Fuel	1.77	3.50	3.36	4.06
Repairs to Building	-	6.09	13.02	7.02
Repairs to Machinery	0.32	3.12	0.94	0.52
Jobwork Process Charges	-	-	0.88	4.20
Other Factory Expenses	0.27	0.53	0.40	0.44
Laboratory Expense	0.27	0.15	0.10	0.51
Water & Water Treatment Charges	0.78	3.04	1.88	1.59
<b>Administrative, Selling and Other Expenses</b>				

Advertisement Expenses	-	0.98	0.99	0.82
Bank Charges etc.	1.86	1.33	1.80	4.05
Business Promotion Expenses	0.61	1.04	2.40	2.67
Commission on Sales	80.72	120.78	89.67	173.52
Conveyance Expense	0.50	0.67	0.91	1.59
Donation	0.11	36.43	20.78	16.97
Export Expenses	10.24	2.00	4.22	12.77
Fare Participation Expense	-	-	-	0.31
FEC Hedging Expenses	0.03	3.09	11.21	15.74
Freight & Cartage	2.91	6.84	6.65	4.75
Insurance	0.93	1.38	1.30	1.63
IPO Expenses	20.52			
Loss on Sale of Mutual Fund	-	0.08	-	-
Legal Charges and Consultancy Fees	12.19	22.70	14.76	43.03
Loading and Unloading Expenses	3.00	5.13	6.13	7.17
Loss on Sale of Fixed Asset	-	-	1.68	-
Other Office & Misc.Expenses	1.24	2.69	2.52	3.44
Other Selling Expenses	-	15.26	11.07	20.38
Payments to Auditor	1.08	2.15	3.08	2.45
Printing & Stationery	0.10	0.18	0.18	0.22
Rates and Taxes	1.08	4.32	1.65	1.50
Rent	1.38	2.70	2.40	1.72
Repairs to Others	1.68	0.91	0.40	2.77
Sample Expense	-	0.21	-	0.01
Telephone, Postage & Courier Expenses	0.14	0.34	0.32	0.34
Travelling Expense	2.65	2.88	2.75	7.09
<b>Per Statement of Profit and Loss</b>	<b>170.57</b>	<b>297.14</b>	<b>238.39</b>	<b>388.03</b>

\* Excise Duty represents the aggregate of Excise Duty born by the company and the difference between Excise Duty on opening and closing stock of Finished goods

**Details of Payment to Auditors**
*(Rs. in Lakhs)*

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
For Audit Fees	0.75	1.50	1.50	1.51
For Certification and Others	0.33	0.65	1.58	0.94
<b>Total</b>	<b>1.08</b>	<b>2.15</b>	<b>3.08</b>	<b>2.45</b>

**Value of Stores Consumed**

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Indigenous – Value	0.10	0.05	0.12	0.05
Indigenous - %	100%	100%	100%	100%
Total – Value	0.10	0.05	0.12	0.05
Total - %	100%	100%	100%	100%



## ANNEXURE- XXIX

## Finance Costs As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Interest Expense:				
- on Borrowings	65.73	120.06	115.64	121.55
- on Term Loan	-	0.07	0.40	0.71
- on Income Tax	-	-	1.46	1.20
- on Others	0.07	0.19	0.47	0.18
Other Finance Cost	3.05	5.04	1.35	2.44
<b>Per Statement of Profit and Loss</b>	<b>68.85</b>	<b>125.36</b>	<b>119.32</b>	<b>126.08</b>

## ANNEXURE - XXX

## Exchange Rate Difference As Restated

(Rs. in Lakhs)

Particulars	For the year Ended			
	30/09/19	2018-19	2017-18	2016-17
Exchange rate difference (Net) Gain / (-) Loss adjusted to Purchases of Material	5.49	(5.65)	49.49	56.01
Exchange rate difference (Net) Gain / (-) Loss adjusted to Sales	8.88	0.75	1.03	6.75
Exchange rate difference (Net) Gain / (-) Loss on others is included in other income / expenses	0.06	0.05	0.03	0.03

## ANNEXURE - XXXI

## Outstanding balances at year end of the assets and liability denominated in foreign currency and foreign currency derivative transactions As Restated

(Rs. in Lakhs)

Particulars	Foreign Currency	As at							
		30/09/19		31/03/19		31/03/18		31/03/17	
		Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
<b>I. Assets</b>									
Receivable	USD	88,371	61.79	45,147	30.81	63,960	41.22	3,144	2.03
Adv to Creditors	USD	1,365	0.95	1,272	0.87	27,720	17.87	-	-
Cash Balance	USD	1,115	0.78	1,115	0.77	1,115	0.73	1,040	0.67
<b>Total (A)</b>	<b>USD</b>	<b>90,851</b>	<b>63.52</b>	<b>47,534</b>	<b>32.45</b>	<b>92,795</b>	<b>59.82</b>	<b>4,184</b>	<b>2.70</b>
Hedge by derivative	NA	-	-	-	-	-	-	-	-

contracts (B)									
<b>Unhedge Assets (C=(A-B))</b>	<b>USD</b>	<b>90,851</b>	<b>63.52</b>	<b>47,534</b>	<b>32.45</b>	<b>92,795</b>	<b>59.82</b>	<b>4,184</b>	<b>2.70</b>
<b>II. Liabilities</b>									
Payable (D)	USD	12,540	8.96	1,95,650	136.13	25,740	16.86	11,80,800	769.65
Advance from Customer(E)	USD	5,368	3.75	-	-	-	-	-	-
Hedge by derivative forward / Options contracts (E)	USD	78,576	54.94	-	-	-	-	10,36,250	675.43
<b>Unhedge Liabilities (F=(D-E))</b>	<b>USD</b>	<b>(60,668)</b>	<b>(42.23)</b>	<b>1,95,650</b>	<b>136.13</b>	<b>25,740</b>	<b>16.86</b>	<b>1,44,550</b>	<b>94.22</b>

**ANNEXURE - XXXII**
**Directors Remuneration as Restated**
*(Rs. in Lakhs)*

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Remuneration	14.80	23.06	26.00	30.00
Provision for Gratuity	1.45	(0.02)	-	2.98
<b>Total</b>	<b>16.25</b>	<b>23.04</b>	<b>26.00</b>	<b>32.98</b>

**ANNEXURE - XXXIII**

Other Money for which the company is contingently liable As Restated

A. Other claims against company not acknowledged as debt – 1-4-19 to 30-9-19 Rs. Nil, FY 2018 - 19 Rs. Nil, FY 2017 - 18 - Rs. Nil, FY 2016 - 17 - Rs. Nil. The management of the company does not envisage any liabilities in this regard

B. Bank Guarantees 1-4-19 to 30-9-19 Rs. Nil, FY 2018 - 19 Rs. Nil, FY 2017 - 18 - Nil, FY 2016 - 17 INR in lakhs 0.15.

**ANNEXURE – XXXIV**

**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act As Restated**

*(Rs. in Lakhs)*

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)				
Principal amount due to micro and small enterprise	4.19	4.13	-	-
Interest due on above	-	-	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the	-	-	-	-

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
appointed day during the period				
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-	-	-

## ANNEXURE – XXXV

## Details of Foreign Exchange Transactions As Restated

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
FOB Value of Export	443.84	156.59	103.85	393.10
CIF Value of Imports: Direct Import of Traded Goods (paid in Foreign Currency Terms)	421.38	1,112.69	2,108.15	3,713.01
Expenditure in Foreign Currency	2.10	1.96	1.46	2.72
Earning in Foreign Currency	-	-	-	-
Remittance in Foreign Currency	-	-	-	-

## ANNEXURE – XXXVI

## Operating Lease As Restated (Assets taken on operating lease)

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Lease rent of Office charged to profit & Loss A/c	1.02	1.98	1.80	1.45
Warehouse Charges charged to profit & Loss A/c	0.36	0.72	0.60	0.28

## ANNEXURE – XXXVII

## Related Party Disclosure As Restated

## Disclosure of Related Parties and Related Party Transactions

## (A) List of related Parties and Relationship(As identified by the company)

Nature of Relationship	Name of Related Party
Holding Company	Nil
Fellow Subsidiaries	Nil
Associate Companies	Nil
Joint Ventures	Nil

Key Management Personnel	
Chairman	Mr. Om Prakash Mangal (wef 18/11/2019)
Managing Director	Mr. Sanjay Prakash Mangal
Whole Time Director	Mr. Santosh Narayan Nambiar
Director	Mr. Vipin Prakash Mangal (wef 28/09/2018 upto 18/11/2019)
Enterprise over which Key Management Personnel exercise significant influence	
	Hindprakash Overseas Pvt Ltd
	Hindprakash Tradelink Pvt Ltd
	Shanker Global Pvt Ltd
	Hindprakash Corporation Pvt Ltd
	Laxmi Alutrade Pvt Ltd/ Hindprakash Global Pvt Ltd
	Zaddoc Nutrition Pvt Ltd
	Spectrum Tubes Pvt Ltd
	Specific Worldwide Pvt Ltd
Relative of the Key Management Personnel	
	Omprakash Mangal, Dimple S Mangal Priyata S Mangal, Radhika S Mangal Veedant S Mangal, OPSP Mangal HUF, Omprakash Sanjayprakash HUF, Sanjayprakash HUF

**ANNEXURE – XXXVII**
**(B) Material Transaction with Related Parties**
**(INR in Lakhs)**

Particulars	For the Year	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount
Interest Paid	2016 - 17	-	-	-
	2017 - 18	-	-	-
	2018 - 19	-	2.58	2.58
	1-4-19 to 30-9-19	-	-	-
Lease Rent Paid	2016 - 17	1.65	-	1.65
	2017 - 18	1.80	-	1.80
	2018 - 19	2.34	-	2.34
	1-4-19 to 30-9-19	1.20	-	1.20
Warehouse Charges Paid	2016 - 17	-	-	-
	2017 - 18	0.60	-	0.60
	2018 - 19	0.85	-	0.85

Particulars	For the Year	Enterprise over which KMP exercise Significant Influence	Key Management Personnel & Relatives	Total Amount
	1-4-19 to 30-9-19	0.42	-	0.42
Royalty Paid	2016 - 17	-	-	-
	2017 - 18	-	-	-
	2018 - 19	-	-	-
	1-4-19 to 30-9-19	-	1.00	1.00
Dividend Paid	2016 - 17	0.00	2.16	2.16
	2017 - 18	0.00	1.08	1.08
	2018 - 19	-	1.08	1.08
	1-4-19 to 30-9-19	-	-	-
Salary	2016 - 17	-	49.20	49.20
	2017 - 18	-	42.23	42.23
	2018 - 19	-	40.72	40.72
	1-4-19 to 30-9-19	-	25.73	25.73
Closing Balance of Guarantee Given by related party to the Company's Bank	2016 - 17	-	1,500.00	1,500.00
	2017 - 18	-	1,500.00	1,500.00
	2018 - 19	-	1,500.00	1,500.00
	1-4-19 to 30-9-19	-	1,500.00	1,500.00
Closing Balance of Loan Taken	2016 - 17	-	-	-
	2017 - 18	-	-	-
	2018 - 19	-	150.00	150.00
	1-4-19 to 30-9-19	-	70.00	70.00

**A. Material Transactions**
**(INR in Lakhs)**

Particulars	For the Year	Salary	Loan Taken	Warehouse Charges Paid	Dividend Paid	Interest Paid	Royalty Paid	Lease Rent Paid
Sanjay Prakash Mangal	2016 - 17	32.98	-	-	0.42	-	-	-
	2017 - 18	26.00	-	-	0.21	-	-	-
	2018 - 19	15.25	150.00	-	0.21	2.58	-	-

Particulars	For the Year	Salary	Loan Taken	Warehouse Charges Paid	Dividend Paid	Interest Paid	Royalty Paid	Lease Rent Paid
	1-4-19 to 30-9-19	9.06	70.00	-	-	-	1.00	-
Hindprakash Tradelink Pvt Ltd	2016 - 17	-	-	-	-	-	-	1.65
	2017 - 18	-	-	0.60	-	-	-	1.80
	2018 - 19	-	-	0.85	-	-	-	2.34
	1-4-19 to 30-9-19	-	-	0.42	-	-	-	1.20
Veedant S Mangal	2016 - 17	-	-	-	0.42	-	-	-
	2017 - 18	-	-	-	0.21	-	-	-
	2018 - 19	-	-	-	0.21	-	-	-
	1-4-19 to 30-9-19	-	-	-	-	-	-	-
Dimple S Mangal	2016 - 17	16.22	-	-	0.42	-	-	-
	2017 - 18	16.23	-	-	0.21	-	-	-
	2018 - 19	17.68	-	-	0.21	-	-	-
	1-4-19 to 30-9-19	9.48	-	-	-	-	-	-
Omprakash T Mangal	2016 - 17	-	-	-	0.42	-	-	-
	2017 - 18	-	-	-	0.21	-	-	-
	2018 - 19	-	-	-	0.21	-	-	-
	1-4-19 to 30-9-19	-	-	-	-	-	-	-
Santosh Nambiar	2016 - 17	-	-	-	-	-	-	-
	2017 - 18	-	-	-	-	-	-	-
	2018 - 19	6.27	-	-	-	-	-	-
	1-4-19 to 30-9-19	3.19	-	-	-	-	-	-
Vipin Prakash Mangal	2016 - 17	-	-	-	-	-	-	-
	2017 - 18	-	-	-	-	-	-	-
	2018 - 19	1.52	-	-	-	-	-	-
	1-4-19 to 30-9-19	4.00	-	-	-	-	-	-

**B: Gurantees Given by Sanjay Prakash Mangal and Santosh N Nambiar to the Company's Bank**

(INR in Lakhs)

Period	Closing Balance
2016 - 17	1,500.00
2017 - 18	1,500.00
2018 - 19	1,500.00
1-4-19 to 30-9-19	1,500.00

**ANNEXURE – XXXVIII****Earning per Equity Share As Restated**

Particulars	As at			
	30/09/19	2018-19	2017-18	2016-17
a) Profit available for equity share holders (in Lakhs)				
- Basic	177.81	283.42	231.91	214.26
- Diluted	177.81	283.42	231.91	214.26
b) Weighted average number of equity shares				
- Basic	75,44,110	75,44,110	75,44,110	75,44,110
- Diluted	75,44,110	75,44,110	75,44,110	75,44,110
c) Weighted average number of equity shares (in Rs.)				
- Basic	2.36	3.76	3.07	2.84
- Diluted	2.36	3.76	3.07	2.84

Note: The company has issued and allotted 53,88,650 equity shares on 01-11-2018 as bonus equity shares by capitalizing reserves. The earning per share figures for the previous years ended on 31-03-2018 and 31-03-2017 has been adjusted to give effect to the allotment of the bonus shares.

## ANNEXURE – XXXIX

## Note on Segment Reporting As Restated

As the Company has identified manufacturing, dealing and trading of Dyes, Intermediates, Auxiliary, Chemicals and other merchandise etc. as its sole primary business segment, the disclosure requirements of Accounting Standard 17 – “Segment Reporting”, issued by the Institute of Chartered Accountants of India are not applicable. In the opinion of the management there does not exist separate reportable geographical segment.

## ANNEXURE – XXXX

## Employee Benefits as Restated

## a. Amount recognized as an expense in the Profit &amp; Loss Accounts

(Rs. in Lakhs)

Particulars	For the Period Ended			
	30/09/19	2018-19	2017-18	2016-17
Compensated Leave Absences (Privilege Leave)	1.68	3.90	1.22	1.17
Provident & Other Fund (Defined Contribution Plan)	2.80	5.33	4.82	4.91

**Disclosure in respect of Gratuity (Unfunded), a defined benefit scheme based on actuarial valuation report As Restated**

b. Disclosure in respect of Gratuity (Unfunded), a defined benefit scheme based on actuarial valuation report.

(Rs. in Lakhs)

Particulars	For the Period Ended			
	30/09/19	2018-19	2017-18	2016-17
<b><u>Changes in Present Value of Benefit Obligations</u></b>				
Present value of Benefit Obligation (Opening)	26.87	21.47	24.23	18.79
Opening Adjustments (Actuary Valuation)	-	-	-	-
Current Service Cost	2.39	3.97	3.28	4.13
Interest Cost	1.03	1.65	1.87	1.39
Benefits Paid	-	-	(3.08)	(0.34)
Actuarial losses (gains)	4.53	(0.22)	(4.82)	0.26
Present value of Benefit Obligation (Closing)	34.82	26.87	21.47	24.23
<b><u>Details of Experience adjustment on plan assets and liabilities</u></b>				
Experience adjustment on plan assets	-	-	-	-
Experience adjustment on plan liabilities	-	(0.22)	(4.13)	(0.51)
<b><u>Bifurcation of Present Value of Benefit Obligation</u></b>				
Current – Amount due within one year	4.51	0.49	2.36	1.99
Non Current – Amount due after one year	30.31	26.38	19.12	22.24
Total	34.82	26.87	21.47	24.23
<b><u>Plan Assets</u></b>	Nil	Nil	Nil	Nil
<b><u>Assets Category of Plan Assets</u></b>	Nil	Nil	Nil	Nil
<b><u>Amounts recognized in Balance Sheet and Statement of Profit and Loss</u></b>				
Present Value of Benefit Obligation (Closing)	34.82	26.87	21.47	24.23



Fair Value of Plan Assets (Closing)	-	-	-	-
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>34.82</b>	<b>26.87</b>	<b>21.47</b>	<b>24.23</b>
Current Service Cost	2.39	3.97	3.28	4.13
Interest Cost	1.03	1.65	1.87	1.39
Expected Return on Plan Assets	-	-	-	-
Net actuarial losses (gains) recognised in the year	4.53	(0.22)	(4.82)	0.26
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>7.95</b>	<b>5.40</b>	<b>0.32</b>	<b>5.78</b>
<b>Actuarial Assumptions</b>				
Discount Rate	7.70%	7.70%	7.70%	7.40%
Salary Escalation Rate	8.33%	7.00%	7.00%	7.00%
Retirement Age	60	60	60	60
Attrition Rate	See Note 1			
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.			

Note 1: 5% at younger ages and reducing to 1% at older ages according to graduated scale.

#### OTHER FINANCIAL INFORMATION

The audited financial statements of our Company for the period ended September 30, 2019 and for the financial years ended March 31, 2019, March 31, 2018, and March 31, 2017 and the reports thereon dated November 22, 2019, June 03, 2019, August 03, 2018 and August 22, 2017, respectively (“**Financial Statements**”) are available at [www.hindprakash.in](http://www.hindprakash.in) to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Financial Statements do not constitute a part of this prospectus. The Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company or any of its subsidiaries, or any entity in which it or its shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor LM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Financial Statements, or the opinions expressed therein.

The information required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:-

#### Restated Statement of Mandatory Accounting Ratios

(Rs. in Lakhs)

Particulars	For the Year Ended			
	30/09/19	2018-19	2017-18	2016-17
Restated Profit After Tax	177.81	283.42	231.91	214.26
Less: Prior Period Item	-	-	-	-
Adjusted Profit After Tax: Available to equity share holders (A)	177.81	283.42	231.91	214.26
<b>Earnings Per Share (Basic and Diluted)</b>				
Number of Equity Share outstanding as on the End of Year / Period - Basic and Diluted (B )	75,44,110	75,44,110	21,55,460	21,55,460

Weighted average no of Equity Shares, after considering Bonus Shares - Basic and Diluted (C)	75,44,110	75,44,110	75,44,110	75,44,110
Face Value per Share	10	10	10	10
Restated Basic and Diluted Earning Per Share (Rs.) (A/C) (After Bonus Share)	2.36	3.76	3.07	2.84
<b>Return on Net Worth</b>				
Net Worth (D)	2,123.82	1,950.56	1,668.45	1,437.83
Return on Net Worth % (A/D%)	8.37%	14.53%	13.90%	14.90%
<b>Net Asset Value per Share</b>				
Net Asset Value per Share (Face Value of Rs. 10/- each) (Before Issue of Bonus Shares) (D/B)	28.15	25.86	77.41	66.71
Net Asset Value per Share (Face Value of Rs. 10/- each) (After Issue of Bonus Shares) (D/C)	28.15	25.86	22.12	19.06
<b>EBIDTA</b>				
EBITDA	326.80	544.21	489.07	466.65
<b>Current Ratio</b>				
Current Assets (E )	3,586.65	3,663.04	2,780.25	3,125.13
Current Liabilities (F )	2,118.25	2,314.07	1,418.60	1,996.10
Current Ratio (E/F)	1.69	1.58	1.96	1.57
Note:				
Particulars	Formula			
Basic Earnings Per Share (Rs.)(see note 4 below)	Restated Profit/(Loss) After Tax For the Year Attributable to Equity Shareholders /			
	Weighted Average Number of Equity Shares Outstanding During Year/Period			
Diluted Earnings Per Share (Rs.) (see note 4 below)	Restated Profit/(Loss) After Tax For the Year Attributable to Equity Shareholders /			
	Weighted Average Diluted Number of Equity Shares Outstanding During Year/Period			
Return on Net Worth (%)	Restated Profit/(Loss) After Tax For the Year Attributable to Equity Shareholders /Net Worth As At The End Of The Year/Period			
Net Assets Value Per Share (Rs.)	Net Worth As At The End Of The Year/Period /No. of shares outstanding at the end of the year/Period			

1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period
2. Net worth is calculated as the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
3. Net Asset Value Per Share: Net asset means total assets minus total liabilities. This ratio is calculated excluding revaluation reserves (if any).

4. EBITDA stands for earnings before interest, taxes, depreciation and amortization.
5. Current Ratio is calculated as restated amount of current assets divided by restated amount of current liability

**MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements as of and for the period ended September 30, 2019 and the three Financial Years ended March 31, 2019, 2018 and 2017, including the notes thereto and the report thereon, which appear elsewhere in this Prospectus. You should also read the section titled “Risk Factors” beginning on page 25 and the section titled “Forward Looking Statements” beginning on page 16, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our Auditor dated November 22, 2019 which is included in this Prospectus under “Financial Statements”. The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

**CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies.

**Significant Developments Subsequent to the Last Financial Period**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

**Key factors affecting our Results of Operations**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 25. Our results of operations and financial conditions are affected by numerous factors including the following:

- Disruption in our manufacturing operations.
- Company’s ability to successfully implement our strategy, our growth and expansion, technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Our failure to keep pace with rapid changes in the sector in which we operate;
- Changes in laws and regulations relating to the industries in which we operate;
- Effect of lack of infrastructure facilities on our business;
- Intensified competition in industries/sector in which we operate;

- Our ability to attract, retain and manage qualified personnel;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to expand our geographical area of operation.
- Concentration of ownership among our Promoters.

**Discussion on Result of Operations**

The following discussion on results of operations should be read in conjunction with the restated financial statements for the financial years ended March 2019, March, 2018 and March, 2017.

S r N o	Particulars	For the period ended 30-09-19		2018-19		2017-18		2016-17	
		Amount (Rs. In Lakhs)	% of Total Incom e	Amount (Rs. In Lakhs)	% of Total Incom e	Amount (Rs. In Lakhs)	% of Total Incom e	Amount (Rs. In Lakhs)	% of Total Income
A	Revenue from operations (Net of Taxes & Duties)	5010.64	98.95	9,665.60	98.63	8,732.53	99.83	8,611.35	100.00
	Other income	53.16	1.05	133.88	1.37	15.05	0.17	0.43	0.00
	<b>Total Revenue (I + II)</b>	<b>5063.80</b>	<b>100.00</b>	<b>9,799.48</b>	<b>100.00</b>	<b>8,747.58</b>	<b>100.00</b>	<b>8,611.78</b>	<b>100.00</b>
B	<b>Expenses:</b>								
	Cost of materials consumed	4502.52	88.92	8,759.24	89.38	7,928.55	90.64	7,566.78	87.87
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(28.16)	(0.56)	39.65	0.40	(70.27)	(0.80)	31.88	0.37
	Employee Benefits Expense	92.07	1.82	159.24	1.62	161.84	1.85	158.45	1.84
	Other Expenses	170.57	3.37	297.14	3.03	238.39	2.73	388.03	4.51
	Finance Costs	68.85	1.36	125.36	1.28	119.32	1.36	126.08	1.46
	Depreciation and Amortization Expense	9.82	0.19	19.92	0.20	18.94	0.22	15.95	0.19
	<b>Total Expenses</b>	<b>4815.67</b>	<b>95.10</b>	<b>9400.55</b>	<b>95.93</b>	<b>8396.76</b>	<b>95.99</b>	<b>8287.16</b>	<b>96.23</b>
C	<b>Profit before exceptional and extraordinary items and tax</b>	<b>248.13</b>	<b>4.90</b>	<b>398.93</b>	<b>4.07</b>	<b>350.81</b>	<b>4.01</b>	<b>324.62</b>	<b>3.77</b>
	Exceptional item	-	-	-	-	-	-	-	-
	<b>Profit before extraordinary items and tax</b>	<b>248.13</b>	<b>4.90</b>	<b>398.93</b>	<b>4.07</b>	<b>350.81</b>	<b>4.01</b>	<b>324.62</b>	<b>3.77</b>
	Extraordinary item	-	-	-	-	-	-	-	-
D	<b>Profit before tax (III-IV)</b>	<b>248.13</b>	<b>4.90</b>	<b>398.93</b>	<b>4.07</b>	<b>350.81</b>	<b>4.01</b>	<b>324.62</b>	<b>3.77</b>
	Tax expense:								
	(1) Current tax	(71.86)	(1.42)	(117.33)	(1.20)	(117.20)	(1.34)	(109.32)	(1.27)
	(2) Deferred Tax	1.54	0.03	1.82	0.02	(1.70)	(0.02)	(1.04)	(0.01)
	<b>Restated profit after tax for the period from continuing operations (VIII + IX)</b>	<b>177.81</b>	<b>3.51</b>	<b>283.42</b>	<b>2.89</b>	<b>231.91</b>	<b>2.65</b>	<b>214.26</b>	<b>2.49</b>

**Revenue from operations:**

Our principal component of income is from Sale of Manufacturing & Trading of Dyes, Auxiliaries and Chemicals.

**Other Income:**

Our other income primarily comprises of fixed deposit interest, interest from trade receivable.

**Cost of Material Consumed**

Our cost of material consumed primarily comprises of cost of raw material used for manufacturing the final product and purchases of trading materials.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Salary and Wages, Commission on Sales, Donation, Legal & Consultancy fees, Staff Welfare Expenses etc.

**Finance Costs**

Our finance cost includes Interest Expenses and other Borrowing Cost.

**Depreciation and Amortization Expenses**

Depreciation includes depreciation on tangible assets like vehicles, plant and machinery, furniture, computer, building, computer software etc.

**Other Expenses**

Other expenses include Legal and Professional Fees, Commission on Sales, Packing Expenses, Donation, Loading & Unloading Expenses, Rent & Maintenance Expenses, Office Expenses, Insurance Charges, Printing & Stationery, Conveyance & Travelling Expenses, etc.

**Financial Performance highlights for the Period ended on September 30, 2019**

**Total Income**

Our total income for the period ended September 30, 2019 stood at Rs.5,063.80 Lakhs which consists of revenue from operations and other income.

**Revenue from Operations**

The revenue from operations during the period ended September 30, 2019 was Rs.5,010.64 Lakhs. The revenue is from sale of Dyes, Auxillaries, Intermediates & Other chemicals.

**Other Income:**

Our other income stood at Rs. 53.16 Lakhs comprising of 1.05% of total revenue during the period ended September 30, 2019.

**Total Expenses:**

The total expenditure during period ended September 30, 2019 was Rs. 4,815.67 Lakhs. The total expenditure represents 95.10% of the total revenue. It is represented by cost of materials consumed, changes in inventories, finance cost, depreciation & amortization expenses & other expenses.

**Employee benefits expense:**

Our employee benefits expense were Rs.92.07 Lakhs for the Period ended on September 30, 2019 consisting of Salary, contribution to funds, gratuity & leave encashment and Staff Welfare Expenses.

**Finance costs:**

Our finance cost consisting Interest cost is Rs.68.85 Lakhs, representing 1.36% of the total revenue for the period ended September 30, 2019.

**Depreciation and Amortization Expenses:**

Depreciation for the period ended September 30, 2019 stood at Rs.9.82 Lakhs representing 0.19% of the total revenue

**Other Expenses:**

Other Expenses for the period ended September 30, 2019 stood at Rs.170.57 Lakhs representing 3.37% of the total revenue

**Restated Profit before tax:**

The restated net profit during the period ended September 30, 2019 was Rs.248.13 Lakhs comprising 4.90% of the total revenue of our company.

**Restated profit after tax:**

The restated net profit during the period ended September 30, 2019 was Rs.177.81 Lakhs representing 3.51% of the total revenue of our company.



**Financial Year 2018-2019 Compared to Financial Year 2017-2018**

**Total Income**

Total Income for the financial year 2018-2019 stood at Rs.9,799.48 Lakhs whereas in Financial Year 2017-2018 the same stood at Rs.8,747.58 Lakhs representing an increase of 12.03%. This was majorly due to increase in revenue from operations and other income.

**Revenue from Operations**

During the financial year 2018-2019 the net revenue from operation of our Company increased to Rs. 9,665.60 Lakhs as against Rs. 8,732.53 Lakhs in the Financial Year 2017-2018 representing an increase of 10.69%. This increase was majorly due to increase in revenue from sale of Dyes & Other chemicals.

**Other Income:**

During the financial year 2018-2019 the other income of our Company increased to Rs.133.88 Lakhs as against Rs.15.05 Lakhs in the Financial Year 2017-2018 representing an increase of 789.73%. Such increase was primarily due to Interest income on Trade receivables and Bank Deposits.

**Total Expenses:**

The Total Expenditure for the financial year 2018-2019 increased to Rs.9,400.55 Lakhs from Rs.8,396.77 Lakhs in the previous financial year representing an increase of 11.95%. This was majorly due to increase in cost of raw material consumed, changes in inventories, finance cost, depreciation & amortization expenses & other expenses.

**Employee benefits expense:**

Our Company has incurred Rs.159.24 Lakhs as Employee benefits expense during the financial year 2018-2019 as compared to Rs.161.84 Lakhs in the financial year 2017-2018 resulting in a decrease of 1.61%.

**Finance costs:**

These costs were for the financial year 2018-2019 increased to Rs.125.36 Lakhs as against Rs.119.32 Lakhs during the previous financial year. The increase of 5.07% as compared to previous financial year was due to increase in interest cost due to increase in working capital limits.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2018-2019 stood at Rs.19.92 Lakhs as against Rs.18.94 Lakhs during the previous financial year. The increase of 5.19% was due to increase in our asset base.

**Other Expenses:**

Our Company has incurred Rs.297.14 Lakhs during the Financial Year 2018-2019 on other expenses as against Rs.238.39 Lakhs during the financial year 2017-2018. The increase of 24.64% was due to normal course of business.

**Restated Profit before tax:**

The Company reported Restated profit before tax for the Financial Year 2018-2019 of Rs.398.93 Lakhs in comparison to Restated profit of Rs.350.81 Lakhs in financial year 2017-2018 representing an increase of 13.72%.

**Restated profit after tax:**

Net Profit after tax for the Financial Year increased to Rs. 283.42 lakhs as compared to Rs.231.91 Lakhs financial year 2017-2018. The increase in profit after tax by 22.21% was majorly due to factors mentioned above.

**Financial Year 2017-2018 Compared to Financial Year 2016-2017**

**Total Income:**

Total income for the financial year 2017-2018 stood at Rs.8,747.58 Lakhs whereas in Financial Year 2016-2017 the same stood at Rs.8,611.78 Lakhs representing an increase of 1.58%.

**Revenue from Operations:**

During the financial year 2017-2018 the net revenue from operation of our Company increased to Rs.8,732.53 Lakhs as against Rs.8,611.35 Lakhs in the Financial Year 2016-2017 representing an increase of 1.41%. This increase was due to revenue from sale of auxiliaries, dyes and other chemicals.

**Other Income:**

During the financial year 2017-2018 the other income of our Company increased to Rs.15.05 Lakhs as against Rs.0.43 Lakhs in the Financial Year 2016-2017 representing an increase of 3398.01%. Such increase was primarily due to increase in interest income on trade receivables.

**Total Expenses:**

The Total Expenditure for the financial year 2017-2018 increased to Rs.8,396.76 Lakhs from Rs.8,287.16 Lakhs in the previous financial year representing an increase of 1.32%. This was primarily due to increase in cost of material consumed, employee benefit expenses and depreciation & amortization expenses.

**Employee benefits expense:**

Our Company has incurred Rs.161.84 Lakhs as Employee benefits expense during the financial year 2017-2018 as compared to Rs.158.45 Lakhs in the financial year 2016-2017. The increase of 2.14% was due to increase in hiring of experienced staff and increase in Head Count with Annual Salary increment on account of production of new product.

**Finance costs:**

These costs for the financial Year 2017-2018 decreased to Rs.119.31 Lakhs as against Rs.126.08 Lakhs during the financial year 2016-2017. The decrease of 5.36% as compared to previous financial year was due to decrease in outstanding borrowings and interest rate.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2017-2018 stood at Rs.18.94 Lakhs as against Rs.15.95 Lakhs during the previous financial year reflecting an increase of 18.74% due to increase in gross block.

**Other Expenses:**

Our Company has incurred Rs.238.39 Lakhs during the Financial Year 2017-2018 on other expenses as against Rs.388.03 Lakhs during the financial year 2016-2017. The decrease of 38.56% was due to decrease in normal course of business.

**Restated Profit before tax:**

Net Profit before tax for the financial year 2017-2018 increased to Rs.350.81 Lakhs as compared to Rs.324.62 Lakhs in the financial year 2016-2017 representing an increase by 8.07%.

**Restated profit after tax:**

The Company reported Restated profit after tax for the financial year 2017-2018 of Rs.231.91 Lakhs in comparison to Restated profit of Rs.214.26 Lakhs in the financial year 2016-2017 representing an increase of 8.24% majorly due to factors mentioned above.

**OTHER MATTERS**

**1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Other than as described in the section titled "*Risk Factors*" beginning on page 25 to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Other than as disclosed in the "*Risk Factors*" beginning on page 25 to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by economic activity, government policies and availability of skilled manpower.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.**

The increase in revenue is by and large linked to increases in volume of business activity by our Company.

**6. Total turnover of major industry segment in which our Company operates.**

Our Company is operating in manufacturing & trading of dyes, auxiliaries & chemicals. Total turnover of major industry segment in which our Company operated has been included in the chapter titled “*Industry Overview*” beginning on page 96.

**7. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Prospectus.

**8. The extent to which the business is seasonal**

Our business operations are not subject to significant seasonal trends.

**9. Any significant dependence on a single or few suppliers or customers.**

For the period ended September 30, 2019 and for the financial year ended March 31, 2019, our top 10 suppliers contributed approximately 63.13% and 68.21 %, respectively of our cost of materials purchased and our top 10 customers constituted 43.96% and 49.79%, respectively to our revenue from operations based on Restated Financials Statements. For further details, please refer “Risk Factors” beginning on page 25.

**10. Competitive Conditions**

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled “*Our Business*” beginning on page 108.

## CAPITALIZATION STATEMENT

(Amt. Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short Term Debt	1,314.46	*
Long Term Debt	-	*
<b>Total Debts</b>	<b>1,314.46</b>	*
<b>Shareholder' Funds</b>		
Equity Share Capital	754.41	*
Reserves & Surplus	1,369.41	*
Less: Miscellaneous Expenses not w/off	-	*
<b>Total Shareholders' Fund</b>	<b>2,123.82</b>	*
Long Term Debt/Equity	-	*
Total Debt/Equity	0.62	*

(\*) The corresponding post issue figures are not determinable at this stage pending the completion of public issue and hence have not been furnished.

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes instalment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30-09-2019.

**SECTION VII – LEGAL AND OTHER INFORMATION**

**OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

**A.** Except as stated below there is no outstanding (i) criminal litigation (ii) actions taken by statutory or regulatory authorities (iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoters in the last five financial years including outstanding action (iv) any direct and indirect tax liabilities; (v) material litigation(s) (as defined below); involving our Company, our Directors and our Promoters.

Our Board, in its meeting held on July 04, 2019, determined that outstanding legal proceedings involving our Company, Directors and Promoters and its group companies shall be considered material, if:

- i.** the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements; or
- ii.** 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 1% of profit after tax of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of our Company; or
- iii.** 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 committees.

**B.** Outstanding material dues (as defined below) to creditors of our Company and dues to micro, small and medium enterprises and other creditors.

Our Board, in its meeting held on **July 04, 2019**, determined that outstanding dues in view of the nature and extent of outstanding dues of our Company and the nature and extent of the business operations undertaken by our Company, the dues owed by our Company to the micro, small and medium enterprises and other creditors exceeding 5% of the Company's trade payables for the last audited financial statements shall be considered as material dues for our Company. The details of outstanding dues to such micro, small and medium enterprises and other creditors shall be uploaded on the website [www.hindprakash.in](http://www.hindprakash.in) of our Company as required under the SEBI ICDR Regulations.

**C.** Except as mentioned below, our Company, Promoters and/or Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by SEBI and no disciplinary action has been taken by SEBI or any stock exchange(s) against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened. There are no pending proceedings initiated against our Company for economic offences.

Further, none of the Promoters or Directors are / were Promoters or directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other regulatory authority.

**I. LITIGATION INVOLVING OUR COMPANY:**

**A. LITIGATION AGAINST OUR COMPANY**

1. **Criminal Matters:** Nil
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** Nil
3. **Litigation involving Tax Liabilities:**
  - a) *Direct Tax Liabilities:* Nil
  - b) *Indirect Taxes Liabilities:* Nil
4. **Other pending Litigations:** Nil

**B. LITIGATION FILED BY OUR COMPANY**

1. **Criminal Matters:** Nil
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:**
  - a. *Application filed by our Company before National Company Law Tribunal(hereinafter referred to as 'NCLT') for initiating Corporate Insolvency Resolution process against Modern Syntax (India) Limited (hereinafter referred to as 'Corporate debtor') under Insolvency and Bankruptcy code, 2016.*

Our Company has filed a petition vide no 84/9/JPR of 2018 under Rule 6 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 to initiate Corporate Insolvency resolution process against Corporate Debtor. Our Company supplied goods to Corporate Debtor during the period May'17 – Nov' 17 for its unit Modern Petrofils situated at Gujarat worth Rs. 20,49,180/- (Twenty Lakhs Forty Nine Thousand One Hundred and Eighty). The same stands outstanding as on date of the application along with the interest of Rs. 4,68,615/- (Four Lakhs Sixty Eight Thousand Six Hundred and Fifteen) i.e. interest @ 24% as per the bill. In the reply by the Corporate Debtor, they alleged that our Company had supplied them defective goods with inferior quality which leads to downgradation and rejection of yarn and ultimately resulted to loss to him. However, the Company claims that the Corporate Debtor never raised such dispute inspite of several reminders sent by our Company with respect to recovery of outstanding amount. Further, NCLT connected the case with the Corporate Debtor's another case and passed a stay order.

On September 09, 2019 our Company filed an appeal vide Dairy No 14421/2019 against the aforesaid order passed by NCLT u/s 61of Indian Bankruptcy Code, 2016 with the National Company Law Appellate Tribunal, New Delhi. The Order in relation to aforementioned appeal was passed by National Company Law Appellate Tribunal, New Delhi on September 18, 2019 stating that it shall not interfere with the impugned order as passed by NCLT, Jaipur, however, it allows our Company to bring to the Notice of NCLT, Jaipur that the another case to which our case is attached has no relevance to the Company's case. It also restricted the Corporate debtor to make any sale/ transfer/ third party encumbrances of moveable and immoveable properties till an appropriate order is passed by NCLT, Jaipur. Further, on September 20, 2019, NCLT, Jaipur passed an order asking the Corporate Debtor to furnish the list of moveable and immoveable properties that are refrained from being sold along with details of Bank accounts. The case is still pending and the next hearing date is January 08, 2020.

**3. Litigation involving Tax Liabilities:**

- a) *Direct Tax Liabilities:* Nil

b) *Indirect Taxes Liabilities: Nil*

4. **Other pending Litigations: Nil**

**II. LITIGATION INVOLVING OUR PROMOTERS:**

**A. LITIGATION AGAINST OUR PROMOTERS**

1. **Criminal Matters: Nil**

2. **Litigation Involving Actions by Statutory/Regulatory Authorities: Nil**

3. **Disciplinary action including penalty imposed by SEBI/ Stock exchanges against the promoters in the last five financial years including any outstanding action: Nil**

4. **Litigation involving Tax Liabilities**

a) *Direct Tax Liabilities: Nil*

b) *Indirect Taxes Liabilities: Nil*

5. **Other pending Litigations: Nil**

**B. LITIGATION FILED BY OUR PROMOTERS**

1. **Criminal Matters: Nil**

2. **Litigation Involving Actions by Statutory/Regulatory Authorities: Nil**

3. **Litigation involving Tax Liabilities**

a) *Direct Tax Liabilities: Nil*

b) *Indirect Taxes Liabilities: Nil*

4. **Other pending Litigations: Nil**

**III. LITIGATION INVOLVING OUR DIRECTORS OTHER THAN PROMOTERS:**

**A. LITIGATION AGAINST OUR DIRECTORS**

1. **Criminal Matters: Nil**

2. **Litigation Involving Actions by Statutory/Regulatory Authorities: Nil**

3. **Litigation involving Tax Liabilities**

a) *Direct Tax Liabilities: Nil*

b) *Indirect Taxes Liabilities: Nil*

4. **Other pending Litigations: Nil**

**B. LITIGATION FILED BY OUR DIRECTORS**

1. **Criminal Matters: Nil**



2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** Nil
3. **Litigation involving Tax Liabilities**
  - a) *Direct Tax Liabilities:* Nil
  - b) *Indirect Taxes Liabilities:* Nil
4. **Other pending Litigations:** Nil

**IV. LITIGATION INVOLVING OUR GROUP COMPANY: HINDPRAKASH TRADELINK PRIVATE LIMITED**

**A. LITIGATION AGAINST OUR GROUP COMPANY**

1. **Criminal Matters:** Nil
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:** Nil
3. **Litigation involving Tax Liabilities:**
  - a) *Direct Tax Liabilities:* Nil
  - b) *Indirect Taxes Liabilities:* Nil
4. **Other pending Litigations:** Nil

**LITIGATION FILED BY OUR GROUP COMPANY**

1. **Criminal Matters:** Nil
2. **Litigation Involving Actions by Statutory/Regulatory Authorities:**
  - a. *Special Civil Application No. 17138 of 2019 filed before the Hon'ble High Court of Gujarat, Ahmedabad by Hindprakash Tradelink Private limited (hereinafter referred to as the Petitioner) against the Chief Controlling Revenue Authority, Stamp and Registration Bhavan, Gandhinagar (hereinafter referred to as Respondent 1) and Additional Superintendent of Stamp, Office of Superintendent of Stamp, Gandhinagar (hereinafter referred to as Respondent 2)*

The Petitioner has filed Special Leave Application as per Article 226 and 227 of the Constitution of India and relevant provisions of Gujarat Stamp Act, 1958 (hereinafter referred to as the Act) in order to challenge the Orders as issued by Respondent 1 and Respondent 2. A scheme of arrangement involving Amalgamation of Hindprakash Tradelink Private limited (Transferor Company which is now dissolved) and Ahmedabad Chemicals Private Limited (Transferee Company whose name has been changed to Hindprakash Tradelink Private limited pursuant to approval of scheme and is the Petitioner in the aforementioned case) was approved by National Company Law Tribunal, Gujarat, pursuant to which the Petitioner made an application for Adjudication of Stamp duty. Respondent 1 concluded the Stamp duty amount to be levied to be Rs. 79,33,995. On not being content by the same, the Petitioner made a representation to Respondent 1 stating that the adjudication of stamp duty is not correct and the correct stamp duty would only amount to Rs. 17,07,095. Without appreciating the

contentions of the Petitioner, Respondent 2 passed an order assessing the amount of Stamp duty to Rs. 79,33,995. Aggrieved by the said order, the Petitioner made an appeal to Respondent 2 under section 53(1) of the Act. Respondent 2 assessed the Stamp duty amount payable by the Petitioner to Rs. 77,38,314 instead of Rs. 79,33,995. On being aggrieved by the order as given by Respondent 2, the Petitioner decided to file the Special leave petition before High Court of Gujarat claiming that the Respondent 1 and Respondent 2 have erred in calculating the Stamp duty due to improper valuation of market value of the shares, inclusion of value of Premium of shares and in application of relevant provisions of Gujarat Stamp Act, 1958. The case is still pending and the next hearing date is January 10, 2020.

**3. Litigation involving Tax Liabilities**

*a) Direct Tax Liabilities: Nil*

*b) Indirect Taxes Liabilities: Nil*

**4. Other pending Litigations: Nil**

**MATERIAL DUES OWED TO MICRO, SMALL AND MEDIUM ENTERPRISES AND OTHER CREDITORS**

As of September 30, 2019, our Company owes the following amounts to Micro, Small and Medium enterprises and other creditors:

*(Amount Rs. in Lakhs)*

<b>Particulars</b>	<b>No. of Creditors</b>	<b>Amount Involved</b>
Micro, Small and Medium Enterprises	1	4.19
Other creditors (Including material creditors)	29	642.43
Material due to creditor	3	464.43

Complete details about outstanding over dues to material creditors along with name and the amount involved for each such material creditor as on September 30, 2019 are available on the website of the Company at [www.hindprakash.in](http://www.hindprakash.in).

**MATERIAL DEVELOPMENTS:**

In the opinion of the Board, there have been no material developments, since the date of the last balance sheet, included in this Prospectus which affects the business and profitability of our Company.

**GOVERNMENT AND OTHER APPROVALS**

*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. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*Following statements set out the details of licenses, permissions and approvals obtained by our Company under various central and state legislations for carrying out its business activities.*

**I. APPROVALS FOR THE ISSUE:**

**1. CORPORATE APPROVALS**

- a. Our Board of Directors pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at their meeting held on July 04, 2019 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b. The shareholders of our Company pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in their Extra Ordinary General Meeting held on July 29, 2019 authorized the Issue subject to the approval of such other authorities as may be necessary.

**2. APPROVAL FROM THE STOCK EXCHANGE**

- a. In-principle approval dated November 11, 2019 from the SME Platform of National Stock Exchange of India Limited (NSE) for using its name in the offer document for listing the Equity Shares of our Company pursuant to the Issue.

**3. AGREEMENTS WITH NSDL AND CDSL**

- a. Our Company has also entered into an agreement dated February 26, 2019 with the National Securities Depository Limited (“NSDL”) and Bigshare Services Private Limited, Registrar to the Issue, for the dematerialization of its shares.
- b. Similarly, our Company has entered into an agreement dated February 28, 2019 with the Central Depository Services (India) Limited (“CDSL”) and Bigshare Services Private Limited, Registrar to the Issue, who in this case is, for the dematerialization of its shares.
- c. The International Securities Identification Number (ISIN) of our Company is INE05X901010.

**II. APPROVALS PERTAINING TO INCORPORATION AND NAME OF OUR COMPANY:**

- a. Certificate of Incorporation dated November 11, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, in the name of Hindprakash Lonsen Industries Private Limited.
- b. Fresh Certificate of Incorporation dated March 14, 2018 issued by the Registrar of Companies, Ahmedabad, in the name of Hindprakash Industries Private Limited pursuant to the Change of name from Hindprakash Lonsen Industries Private Limited to Hindprakash Industries Private Limited.
- c. Fresh Certificate of Incorporation dated November 29, 2018 issued by the Registrar of Companies, Ahmedabad, in the name of Hindprakash Industries Limited pursuant to conversion of Company from Private to Public.
- d. The Corporate Identification Number (CIN) of our Company is U24100GJ2008PLC055401.

**III. MATERIAL APPROVALS IN RELATION TO THE BUSINESS OF OUR COMPANY:**

We have received the following significant government and other approvals pertaining to our business:

<b>TAX RELATED APPROVALS</b>						
<b>Sr. No.</b>	<b>Nature of License/ Approval</b>	<b>Applicable Laws</b>	<b>Registration/ License No.</b>	<b>Issuing Authority</b>	<b>Date of granting License/ Approval</b>	<b>Validity</b>
1.	Permanent Account Number	Income Tax Act, 1961	AACCH1405K	Income Tax Department	Date of Incorporation – November 11, 2008	Valid until cancellation
2.	Tax Deduction Account Number (TAN)	Income Tax Act, 1961	AHMH02935C	Income Tax Department	December 13, 2018	Valid until cancellation
3.	Goods and Service tax Certificate of Registration	Central Goods and Service Tax (CGST) Act, 2017	24AACCH1405K1ZZ	Government of India	July 07, 2017	Valid until cancellation
4.	Central Excise Registration Certificate	Central Excise Act, 1944	AACCH1405KXM001	Central Board of Excise & Customs	December 29, 2008 Last amended on January 2, 2014	Valid until cancellation
5.	Service Tax Registration Certificate	Chapter V of Finance Act, 1994 and Service Tax Rules	AACCH1405KSD002	Central Board of Excise & Customs	July 15, 2010 Last amended on December 18, 2013	Valid until cancellation

6.	Value Added Tax Registration Certificate	The Gujarat Value Added tax Act, 2003	24075603233	Commissioner of Commercial Tax, Gujarat	December 17, 2008	Valid until cancellation
7.	Certificate of registration under Central sales Tax	Central Sales Tax Act, 1956	24575603233	Commissioner of Commercial Tax, Gujarat	December 17, 2008	Valid until cancellation
8.	Professional Enrollment Certificate	The Gujarat State on profession, trade, calling and employments Act, 1976	PEC014402362	Amdavad Municipal Corporation, Gujarat	January 21, 2019	Valid until cancellation
9.	Professional Registration Certificate	The Gujarat State on profession, trade, calling and employments Act, 1976	PRC014400558	Amdavad Municipal Corporation, Gujarat	January 21, 2019	Valid until cancellation

**BUSINESS RELATED APPROVALS**

Sr. No.	Nature of License/ Approval	Registration/ License No.	Issuing Authority	Date of granting License/ Approval	Validity
1.	Certificate of Importer-Exporter Code (IEC)	0808019252	Ministry of Commerce and Industry	December 24, 2008	Valid until cancellation
2.	Udyog Adhaar Registration Certificate	GJ01B0148196	Ministry of Micro, Small and Medium Enterprises	April 29, 2019	Valid until cancellation

**APPROVALS UNDER LABOUR LAW**




Sr. No.	Nature of License/ Approval	Registration/ License No.	Issuing Authority	Date of granting License/ Approval/ Renewal	Validity
1.	Factories Act, 1948	889/24297/2009	Directorate Industrial Safety & Health Gujarat State	August 13, 2009	December 31, 2023
2.	Employees Provident Fund Registration	GJVAT0070078000	Ministry of Labour, Government of India	-	Valid until cancellation
3.	Employee State Insurance	Code No. 37000276620001005	Employee State Insurance	February 28, 2019	Valid until cancellation

Certificate	Corporation, Gujarat Regional Office
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ENVIRONMENT RELATED APPROVALS					
Sr. No.	Nature of License/ Approval	Registration/ License No.	Issuing Authority	Date of granting License/ Approval	Validity
1.	Water (Prevention and Control of Pollution) Act, 1974 and Air Prevention and Control of Pollution) Act, 1981  (Unit I situated at Plot No 114, Phase II, GIDC – Vatva, Dist – Ahmedabad – 382445)	WH-63683	Gujarat Pollution Control Board	July 24, 2014	December 22, 2019*
2.	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008  (Unit I situated at Plot No 114, Phase II, GIDC – Vatva, Dist – Ahmedabad – 382445)	WH-63683	Gujarat Pollution Control Board	July 24, 2014	April 08, 2019*
3.	Water (Prevention and Control of Pollution) Act, 1974 and Air Prevention and Control of Pollution) Act, 1981  (Unit II situated at Plot No A2/115, Phase No - II, GIDC – Vatva, Dist – Ahmedabad – 382415)	WH-71587	Gujarat Pollution Control Board	July 04, 2015	May 24, 2020
4.	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008  (Unit II situated at Plot No A2/115, Phase II, GIDC – Vatva, Dist – Ahmedabad – 382415)	WH-71586	Gujarat Pollution Control Board	July 04, 2015	May 24, 2020
5.	Occupational Health &	IN85996CU-1	ISO 45000:2018	July 11, 2019	July 10,

	Safety Management			2022
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\* The Certificates have been expired as on the date of the offer document. However, the Company has made an application to the Gujarat Pollution Control Board on November 20, 2019 for the issuance of the same.

INTELLECTUAL PROPERTY RELATED APPROVALS						
Sr. No.	Description	Logo	Registration/ License No.	Class	Registration/ Application Date	Status/ Validity
1.	Trademark		1792836	1	March 05, 2009	March 05, 2029
2.	Trademark**		3001198	1	July 03, 2015	July 03, 2025
3.	Trademark**		3001199	2	July 03, 2015	July 03, 2025

\*\* Registered in the name of Mr. Sanjay Prakash Mangal. Further, The Company has entered into a deed of assignment dated September 01, 2019 to use the trademark for a period of 60 months from the date of the Agreement with the Owner.

DOMAIN REGISTRATION				
Sr. No.	Domain Name and ID	Sponsoring Registrar	Creation Date	Registration Expiry Date
1.	hindprakash.in	GoDaddy.com, LLC	Registered on :August 08, 2018	August 08, 2028

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, Group Companies includes such companies with which our Company had related party transactions during the period for which Financial Information is disclosed, as covered under the applicable accounting standards, also other companies as considered material by the Board of our Company. For the purpose of identification of “Group Companies” in relation to the disclosure in Issue documents, our Company has considered:

- Companies with which our Company has entered into related party transactions as per the Restated Financial Statements during the period ended September 30, 2019 and for the financial years ended March 2019, 2018 and 2017 as covered under applicable accounting standards; and
- such other companies that are considered material by our Board pursuant to the materiality policy adopted by the Company by a board resolution dated July 04, 2019 for the purposes of disclosure as a group company in connection with the Issue.

As per the materiality policy adopted by our Company, a company shall be considered material and will also be disclosed as a group company if:

- a) such company forms part of the Promoter Group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, 2018;
- b) companies in which, the investment in the form of equity or loan by the Company exceeds 10% of the net worth of the Company for the last audited financial year; and
- c) where the Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total revenue of the Company for the last audited financial year.

As on the date of this Prospectus and based on the aforementioned materiality policy, there is 1 (One) Group Company of our Company as set out below:

### **1. Hindprakash Tradelink Private Limited (HTPL)**

#### Corporate Information:

Hindprakash Tradelink Private Limited was originally incorporated as Sumangal Tradelink Private Limited on January 28, 2003 under the Companies Act, 1956. Subsequently, name of the Company was changed to Hindprakash Tradelink Private Limited vide fresh certificate of incorporation dated April 30, 2007.

Further, pursuant to sanction of the modified Composite Scheme of Arrangement dated October 16, 2017 in the nature of Amalgamation of Hindprakash Tradelink Private Limited (*Transferor Company*) with Ahmedabad Chemicals Private Limited\* (*Transferee Company*) and restructure of Ahmedabad Chemicals Private Limited by the Hon’ble National Company Law Tribunal (NCLT) Ahmedabad Bench on October 11, 2017, name of the company was changed from Ahmedabad Chemicals Private Limited to Hindprakash Tradelink Private Limited. Fresh certificate of incorporation pursuant to change of name was issued by Registrar of Companies on October 30, 2017. The corporate identity number of HTPL is U24231GJ1972PTC002082.

\* Ahmedabad Chemicals Private Limited was incorporated on May 10, 1972 under the Companies Act, 1956.



Nature of activities:

The Company is engaged in the business of dealing in chemicals, Dyes/Dyes Intermediates, fabric & other merchandise items, chemical compounds and chemical products of any nature and kind whatsoever.

Financial Information

(Amount Rs. in Lakhs except per share data)

Particulars	For the financial year ended		
	March 31, 2019	March 31, 2018	March 31, 2017
Paid-up Equity Share Capital	1832.09	1832.09	125.00
Share Capital Suspense Account		-	1707.09
Reserves (excluding revaluation reserve)	6797.60	6475.30	6277.02
Sales (Revenue from operations)	76124.10	59685.74	55545.21
Profit/(Loss) after tax	324.38	200.35	192.02
Earnings per share of face value Rs. 10 (Basic) (in Rs.)	1.89	1.17	15.36
Earnings per share of face value Rs. 10 (Diluted) (in Rs.)	1.89	1.17	1.12
Net Asset Value per share (in Rs.)	47.10	45.34	44.26

There are no significant notes by the auditors in relation to the above mentioned financial statements for the specified last three financial years.

**Litigations**

Except as disclosed in the chapter “Outstanding Litigations and Material Development”, there are no outstanding litigation involving our Group Company which have a material impact on our Company as on the date of this Prospectus.

**Group Company which is a sick industrial company**

Our Group Company has not become a sick company under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985.

**Group Company under winding up/insolvency proceedings**

Our Group Company is not under winding up/insolvency proceedings.

**Loss making Group Company**

Our Group Company is not a loss-making company.

**Defunct Group Company**

During the five years immediately preceding the date of this Prospectus, our Group Company has not remained defunct and no application has been made to the relevant registrar of companies for striking off the name of our Group Company.

**Common pursuits**

Our Group Company is engaged in similar line of business, however there is no non-compete agreement as on date of this prospectus. In case of any such situation arising in future involving conflict of interest between our company and the group company, our Company would adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when it arises.

**Business interests or other interests**

Except as disclosed in “Financial Information of the Company” beginning on page 156, our Group Company does not have any business interest in our Company.

**OTHER REGULATORY AND STATUTORY DISCLOSURES**

**Authority for the Issue**

The Board of Directors, pursuant to a resolution passed at their meeting held on July 04, 2019 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 Extra-Ordinary General Meeting held on July 29, 2019 authorized the Issue.

Our Company has obtained in-principle approval from the Emerge Platform of NSE for using its name in the offer document pursuant to an in-principle approval letter dated November 11, 2019. NSE is the Designated Stock Exchange.

**Prohibition by SEBI or other Governmental Authorities**

We confirm that there is no prohibition on our Company, our Promoters, our Promoter Group, our Directors, or the person(s) in control of our Company from accessing or operating in the Capital Markets or debarment from buying, selling or dealing in securities under any order or direction passed by the Board (SEBI) or any securities market regulator in any other jurisdiction or any other authority/court.

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 SEBI or any other regulatory or governmental authority.

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 "*Outstanding Litigations and Material Development*" beginning on page 212.

**Association with Securities Market**

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors in the past 5 years.

**Prohibition by RBI**

Neither our Company, our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as a wilful defaulter or a fugitive economic offender 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 "*Outstanding Litigations and Material Development*" beginning on page 212.

**Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.**

Our Company, Promoter and Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable.

**Eligibility for the Issue**

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital is more than Rs. 10 Crores and upto Rs. 25 Crores and 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 "*Emerge Platform of National Stock Exchange of India Limited*").

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "*General Information – Underwriting*" beginning on page 48.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within eight (8) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In accordance with Regulation 246(5) the SEBI (ICDR) Regulations, 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 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the *Emerge Platform of NSE*. For further details of the arrangement of market making please refer to section titled "*General Information – Details of the Market Making Arrangements for this Issue*" beginning on page 48.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

5. Our Company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the depositories.
6. Our Company has a website i.e. [www.hindprakash.in](http://www.hindprakash.in)
7. There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE 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 the NSE (NSE EMERGE):-

1. Our Company was originally incorporated as Hindprakash Lonsen Industries Private Limited under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated November 11, 2008 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, pursuant to Shareholder's Resolution passed at the Extra Ordinary General Meeting held on February 16, 2018, the name of our Company was changed to Hindprakash Industries Private Limited vide a fresh Certificate of Incorporation dated March 14, 2018 issued by the Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our Shareholders at the Extra Ordinary General Meeting held on November 15, 2018 and consequent upon conversion, the name of our Company was changed to Hindprakash Industries Limited vide a fresh certificate of incorporation issued by the Registrar of Companies, Ahmedabad dated November 29, 2018 bearing Corporate Identity Number U24100GJ2008PLC055401.
2. As on the date of this Prospectus, our Company has a Paid-up Capital of Rs. 754.41 Lakhs and the Post Issue Capital will be of Rs. 1042.41 Lakhs which is less than Rs. 25 Crores
3. Our Company confirms that it has track record of more than 3 years.
4. Our Company confirms that it has positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth as on March 31, 2019 is positive.
5. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
6. There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
7. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the company.
8. 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 Company, companies promoted by the promoters of the company.
9. The directors of the issuer are not associated with the securities market in any manner, and there is no outstanding action against them initiated by the Board in the past five years.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER 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 OFFER DOCUMENT. THE LEAD MERCHANT BANKER, HEM SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 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 OFFER DOCUMENT, THE LEAD MERCHANT BANKER, HEM SECURITIES 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 SEPTEMBER 20, 2019.**

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 LM any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad in terms of sections 26 of the Companies Act, 2013.

## Statement on Price Information of Past Issues handled by Hem Securities Limited:

Sr. No.	Issue name	Issue size (Rs in Cr.)	Issue Price (Rs.)	Listing date	Op ening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Hindcon Chemicals Limited	7.728	28.00	March 09, 2018	33.60	[6.61%][1.49 %].	-8.93% [5.29%]	-28.57% [12.65%]
2.	Tara Chand Logistic Solutions Limited	20.46	55.00	March 23, 2018	49.00	-12.73% [5.87]	-16.67% [7.43%]	-43.64% [12.36%]
3.	Dhruv Consultancy Services Limited	23.1984	54.00	May 10, 2018	53.40	-0.19% [69.40%]	-12.58% [0.67%]	-29.62% [6.77%]
4.	Sonam Clock Limited	10.1088	36.00	June 14, 2018	37.00	2.50% [1.18%]	2.50% [5.20%]	3.38% [2.40%]
5.	Parin Furniture Limited	18.90	63.00	October 09, 2018	64.00	0.79% [2.75%]	7.30% [4.57%]	8.65% [13.25%]
6.	Kritika Wires Limited	15.3984	32.00	October 10, 2018	34.10	9.38% [1.20%]	28.75% [4.57%]	3.13% [10.94%]
7.	Mindpool Technologies Limited	3.60	30.00	February 28, 2019	30.00	-28.00% [8.12%]	-38.17% [9.90%]	-34.00% [3.00%]
8.	V R Films & Studios Limited	2.27	61.00	April 30, 2019	62.00	13.03% [1.72%]	195% [-5.00%]	113.52% [0.56]
9.	Evans Electric Limited	1.93	52.00	May 13, 2019	52.20	188.46 % [6.83%]	299% [-2.00%]	232.95% [8.25%]
10.	Earum Pharmaceuticals Limited	6.65	36.00	July 04, 2019	36.00	25.00% [-9.00%]	-16.67% [-4.51%]	20.41% [3.50%]

Source: Price Information [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com) , Issue Information from respective Prospectus.

**Summary statement of Disclosure:**

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at Premium- 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	16 <sup>(1)</sup>	234.21	-	1	4	6	2	3	-	2	3	5	3	3
2018-19	5 <sup>(2)</sup>	71.205	-	1	1	-	-	3	-	2	-	-	-	3
2019-20	3 <sup>(3)</sup>	10.85	-	-	-	1	-	2	-	-	-	2	-	1

(1) The Scrips of Dev Information Technology Limited, Vadivarhe Speciality Chemicals Limited, Globe Textiles (India) Limited, Accord Synergy Limited, Captain Technocast Limited, Shanti Overseas (India) Limited, Surevin BPO Services Limited, Pashupati Cotspin Limited, Share India Securities Limited, RKEC Projects Limited, D. P. Abhushan Limited, ANI Integrated Services Limited, Dynamic Cables Limited, Vasa Retail and Overseas Limited, Hindcon Chemicals Limited and Tara Chand Logistic Solutions Limited was listed on April 17, 2017, June 02, 2017, June 23, 2017, July 06, 2017 August 01, 2017, August 03, 2017, August 09, 2017, September 08, 2017, October 05, 2017, October 09, 2017, October 23, 2017, November 20, 2017, December 14, 2017, February 06, 2018, March 09, 2018 and March 23, 2018 respectively.

(2) The scrip of Dhruv Consultancy Services Limited, Sonam Clock Limited, Parin Furniture Limited and Kritika Wires Limited and Mindpool Technologies Limited were listed on May 10, 2018, June 14, 2018, October 09, 2018, October 10, 2018 and February 28, 2019 respectively.

(3) The scrip of V R Films & Studios Limited, Evans Electric Limited and Earum Pharmaceuticals Limited were listed on April 30, 2019, May 13, 2019 and July 04, 2019 respectively..

**Note:**

- Based on date of listing.
- BSE SENSEX and CNX NIFTY have been considered as the benchmark index.
- Prices on BSE/NSE are considered for all of the above calculations.
- In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
- In case 30<sup>th</sup> /90<sup>th</sup> /180<sup>th</sup> day, scrips are not traded then last trading price has been considered.
- N.A. – Period not completed.
- As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the LM. Hence, disclosures pertaining to recent 10 issues handled by LM are provided.



**Track Record of past issues handled by Hem Securities Limited**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.hemsecurities.com](http://www.hemsecurities.com)

**Disclaimer from our Company and the Lead Manager**

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the agreement entered between the LM (Hem securities Limited) and our Company on August 05, 2019 and the Underwriting Agreement dated December 26, 2019 entered into between the Underwriter and our Company and the Market Making Agreement dated December 26, 2019 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 centres 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, 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, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and 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 Rs. 2,500.00 Lakhs and pension funds with a minimum corpus of Rs. 2,500.00 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 Mumbai, Maharashtra, 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.

**Disclaimer Clause of the Emerge Platform of National Stock Exchange of India Limited**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/680 dated November 11, 2019 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**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 Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**Listing**

The Equity Shares of our Company are proposed to be listed on NSE Emerge. Our Company has obtained in-principle approval from NSE by way of its letter dated November 11, 2019 for listing of equity shares on NSE Emerge.

NSE 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 NSE, 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 NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Offer within Six (6) 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.

**Consents**

Consents in writing of (a) Our Directors, Our Company Secretary & Compliance Officer, Chief Financial Officer, our Statutory Auditor, Experts, Banker to our Company; (b) Lead Manager, Registrar to the Issue, Banker to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have will be obtained as required 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 Section 26 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.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Kedia & Kedia Associates, Chartered Accountants, Statutory Auditors of our 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 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 “*Financial Information of the Company*” and “*Statement of Tax Benefits*” on pages 156 and 90, respectively from the Statutory Auditors and expert, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

**Fees, Brokerage and Selling Commission payable to the LM**

The total fees payable to the Lead Manager will be as per the (i) Memorandum of Understanding dated August 05, 2019 with the Lead Manager, Hem Securities Limited, (ii) the Underwriting Agreement dated December 26, 2019 with Underwriter Hem Securities Limited and (iii) the Market Making Agreement dated December 26, 2019 with Market Maker Hem Finlease Private Limited, 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 agreement between our Company and the Registrar to the Issue dated August 05, 2019 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**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Prospectus.

**Previous issues of Equity Shares otherwise than for cash**

For detailed description, please refer to section titled “*Capital Structure*” beginning on page 57.

**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 in last five (5) years.

**Particulars in regard to our Company and other listed subsidiaries/ associates under the same management within the meaning of 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 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**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 57, our Company has not undertaken any previous public or rights issue.

**Performance vis-a-vis objects - Last Issue of Subsidiary Companies**

As on the date of this Prospectus, we do not have any Subsidiary Company.

**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 three (3) years from the last date of dispatch of the letters of allotment, demat credit and refund/unblocking instructions, 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 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 and the applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, UPI ID (if applicable), date of submission of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant and ASBA Account number (for applicants other than Retail Individual Investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors applying through the UPI Mechanism.

**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 fifteen (15) 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 Mr. Utsav Himanshu Trivedi, Company Secretary, 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:**

**Utsav Himanshu Trivedi**

**Hindprakash Industries Limited**

301, Hindprakash House, Plot No.10/6, GIDC,

Vatva, Ahmedabad- 382445, Gujarat, India

**Tel. No.:** +91-79-6812 7000-10

**Email:** uht@hindprakash.com

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](http://www.scores.gov.in)

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

#### **Disposal of investor grievances by listed companies under the same management as our Company**

We do not have any listed company under the same management.

#### **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 section titled “Statement of Tax Benefits” beginning on page 25.

#### **Purchase of Property**

Other than as disclosed in chapter titled “Our Business” beginning on page 108, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

#### **Servicing Behavior**

Except as stated in this Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

**Payment or benefit to officers of our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in chapter titled “*Our Management*” beginning on page 135 and annexure titled “*Related Party Transactions*” in the chapter titled “*Financial Information of the Company*” beginning on page 156, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## SECTION VIII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Prospectus, the Prospectus, the abridged prospectus, any addendum/corrigendum thereto, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the DIPP, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorizing the banks to make payment in case of allotment by signing the application forms.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

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

The present Public Issue of 28,80,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 04, 2019 and was approved by the Shareholders of our Company by passing Special Resolution at the Extra Ordinary General Meeting held on July 29, 2019 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being offered / issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to section titled "*Main Provisions of Articles of Association*" beginning on page 273.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act 2013, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial



condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" beginning on page 155.

#### **Face Value and Issue Price**

The Equity Shares having a face value of Rs. 10/- each are being offered in terms of this Prospectus at a price of Rs. 40 per Equity Share (including premium of Rs. 30 per equity share).

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "*Basis for Issue Price*" beginning on page 87. 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, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "*Main Provisions of Articles of Association*" beginning on page 273.

#### **Minimum Application Value, Market Lot and Trading Lot**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must 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. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated February 26, 2019 between NSDL, our Company and Registrar to the Issue;

and

- Tripartite Agreement dated February 28, 2019 between CDSL, our Company and Registrar to the Issue.

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 Emerge platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Shares is 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**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, 2018, the minimum number of allottees in the Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be unblocked forthwith.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

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

#### **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.

#### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of

Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

**Period of Operation of Subscription List of Public Issue**

<b>ISSUE OPENS ON</b>	January 15, 2020
<b>ISSUE CLOSSES ON</b>	January 17, 2020

**Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level as it will be 100% underwritten.

If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter on the date of closure of the Issue; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the stock exchanges for the securities so offered under the offer document, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

The requirement for 90% minimum subscription in terms of Regulation 45 of the ICDR Regulations is not applicable to the Issue. In terms of Regulation 260(1) of the ICDR Regulations, 2018 the Issue is not restricted to any minimum subscription level and is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” beginning on page 48.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

**Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above Rs 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid up Capital of the company is more than Rs 10 Crore but below Rs 25 Crore, Our Company may still apply for migration to the Main Board if our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### **Market Making**

The shares offered through this Issue are proposed to be listed on the NSE Emerge (Emerge Platform), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE Emerge for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled "*General Information - Details of the Market Making Arrangements for this Issue*" beginning on page 48.

#### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of 3,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

#### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Issue of Equity Shares only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be

in dematerialized form on the Stock Exchange.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

#### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **Restrictions 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 Promoters minimum contribution in the Issue as detailed under section titled "*Capital Structure*" beginning on page 57, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "*Main Provisions of the Articles of Association*" beginning on page 273.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the 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 and 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 and regulations.*

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, whereby, an issuer whose post issue paid up capital is more than Rs. 10 Crores and upto Rs. 25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*", in this case being the NSE Emerge). For further details regarding the salient features and terms of such this Issue, please refer to sections titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 238 and 247 respectively.

Public Issue of 28,80,000 Equity Shares of face value of Rs. 10 each fully paid up ("*Equity Shares*") of Hindprakash Industries Limited ("*Company*" or "*Issuer*") for cash at a price of Rs. **40** per equity share (*including a share premium of Rs. 30 per equity share*) aggregating up to Rs. **1152** Lakhs ( "*the issue*") of which 1,50,000 Equity Shares of Rs. **10** each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of 27,30,000 Equity Shares of Rs. **10** each is hereinafter referred to as the net issue. The Issue and Net Issue of Equity Shares will constitute **27.63%** and **26.19%** respectively of the fully diluted post-issue equity share capital of our Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares available for allocation</b>	27,30,000 Equity Shares	1,50,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.79 % of the Issue Size	5.21 % of the Issue Size
<b>Basis of Allotment</b>	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each.  For further details please refer to " <b>Basis of Allotment</b> " under section titled " <b>Issue Procedure</b> " beginning on page 247.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process Only	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b>  Such number of Equity Shares in multiples of 3,000 Equity Shares at an Issue price of Rs. 40 each such that the Application Value exceeds Rs. 2,00,000.  <b>For Retail Individual Investors:</b>  <b>3,000</b> Equity Shares at Issue prices of Rs.40 each.	1,50,000 Equity Shares

<b>Maximum Application Size</b>	<p><b>For Other than Retail Individual Investors:</b></p> <p>The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b>For Retail Individuals Investors:</b></p> <p>Such number of Equity Shares in multiples of 3,000 Equity Shares such that the application value does not exceed Rs. 2,00,000.</p>	1,50,000 Equity Shares
<b>Trading Lot</b>	3,000 Equity Shares	3,000 Equity Shares. However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the Application Form at the time of submission of the Application Form or in the UPI-linked bank account in the case of Retail Individual Investors using the UPI Mechanism.	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled "*Issue Structure*" beginning on page 244.

\*Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) minimum fifty per cent 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;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

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

**Withdrawal of the Issue**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the ROC.

**Issue Programme**

<b>ISSUE OPENING DATE</b>	January 15, 2020
<b>ISSUE CLOSING DATE</b>	January 17, 2020

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“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 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by 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 reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website 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.*

*Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 01, 2016.*

***Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this this Prospectus.***

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.*

**Our Company and the Lead Manager are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.**

### **PART A**

#### **Fixed Price Issue Procedure**

The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process wherein minimum 50% (13,65,000 Equity Shares) of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. SCSBs or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialised subsequent to allotment.

#### **Phased implementation of Unified Payments Interface**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**a) Phase I:** This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**b) Phase II:** This phase has commenced with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Bid cum Application Form by a Retail Individual Investor through intermediaries to SCSBs for blocking of funds has been discontinued and has been replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Application Form

**c) Phase III:** Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

This Issue is under Phase II and it may be among one of the first few initial public offerings in which the process of physical movement of Application Forms from intermediaries to SCSBs for blocking of funds is discontinued and is replaced by the UPI Mechanism.

All SCSBs offering the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has

appointed ICICI Bank Limited as the Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Investors into the UPI mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Offer. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

### Application Form

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the investors can apply through ASBA Mode. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

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 for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*The aforesaid 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 proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB without use of UPI for payment:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	<p>After accepting the application form, respective Intermediary shall capture and upload the relevant details, including UPI ID, in the electronic bidding system of the stock exchange.</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

#### **Who can apply?**

In addition to the category of Applicants as set forth under “*General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Issue under the laws, rules, regulations, guidelines and policies applicable to them.

#### **Maximum and Minimum Application Size**

The applicants in this Issue, being a fixed price, will be categorized into two:

##### **1. 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 Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

**2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**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.**

**Participation by Associates /Affiliates of Lead Manager and the Syndicate Members**

The Lead Manager and Syndicate Members, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the Lead Manager and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

**Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

**Application by HUFs**

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 may be considered at par with Applications from individuals.

**Application by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Investors applying on a non-repatriation basis by using Resident Forms should authorize their SCSB should confirm/accept the UPI Mandate Request (in case of RIIs Bidding using the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full application amount, at the time of the submission of the Application Form. However, NRIs applying in the Issue through the UPI Mechanism, are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their Application.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

**Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

#### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual Fund:

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 index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to 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 accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **Application 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 up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative

Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

#### **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 LLP 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 Insurance Regulatory Development Authority ("**IRDA**"), certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

- a) Equity shares of a company: The lesser of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in infrastructure and housing sectors i.e. December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure Company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.



**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 reserve the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

**Applications by Systemically Important Non-Banking Financial Companies**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any application without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

**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 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

**Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged 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 thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2,500 Lakhs and pension funds with minimum corpus of Rs. 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The 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 the Company and the lead manager may deem fit. The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and 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.

#### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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 filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.

**Information for the Applicants:**

1. Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in 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 a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.

7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons

resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **Issue Procedure for Application Supported By Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the 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 <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

#### **Method and Process of Applications**

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **Terms of payment**

The entire Issue price of Rs. 40 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar, to the Public Issue Account. The balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Banker to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

**Payment mechanism for Applicants**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

**Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them;
  - (ii) the applications uploaded by them;
  - (iii) the applications accepted but not uploaded by them or;
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) the applications accepted by any Designated Intermediaries;
  - (ii) the applications uploaded by any Designated Intermediaries or;
  - (iii) the applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in this Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.

12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Allocation of Equity shares**

- 1) The Issue is being made through the Fixed Price Process wherein 1,50,000 Equity Shares shall be reserved for Market Maker, at least 13,65,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

#### **Signing of Underwriting Agreement and filing of the Prospectus with ROC**

- 1) Our company has entered into an Underwriting Agreement dated December 26<sup>th</sup>, 2019.
- 2) A copy of the Prospectus filed with the RoC in terms of Section 26 of Companies Act, 2013.



**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of 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 Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

**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 the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- RIIs submitting a Bid cum Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- RIIs submitting a Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- RIIs should not submit a Bid using the UPI Mechanism unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIIs should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI;
- Do not use third party bank account or third party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIIs not using the UPI Mechanism should not submit Application Forms with Designated Intermediaries (other than SCSBs);
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;

- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit incorrect UPI ID details, if you are a RII;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

#### **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. Applications made using a third party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of RTA and DPs centres for collecting the application shall be available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

#### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, UPI ID (if applicable), Client ID and DP ID 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 as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all

correspondence with the Applicants including mailing of the Allotment 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.

#### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with 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 Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within three (3) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

**Impersonation**

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

**Undertakings by our Company**

We undertakes as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within the period prescribed by the Board;
- 3) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 4) That the our Promoters' contribution in full has already been brought in;
- 5) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 6) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 7) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 8) Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- 9) There is no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked on account of non-listing, under

- subscription etc.;
- 10) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
  - 11) That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
  - 12) Except as mentioned in the chapter titled “Outstanding Litigations and Material Development” beginning on page 212, none of the promoters or directors of the company is wilful defaulter defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of SEBI (LODR) Regulations, 2015 and Company's Act, 2013 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.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated February 26, 2019 between NSDL, the Company and the Registrar to the Issue; and
- b) Agreement dated February 28, 2019 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity Shares bear an ISIN No. INE05X901010.

**RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("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. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), with effect from August 28, 2017, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include:

- (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that:
  - (a) the requisite approval of the Government has been obtained; and
  - (b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;
- (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time;
- (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:
  - (a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionality's (such as minimum capitalization, etc.), reporting

- requirements, documentation etc.;
- (b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank; and
- (iv) where the investee company is in the financial sector provided that:
  - (a) Any fit and proper/due diligence requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and
  - (b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors 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. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual



and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

**Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

**Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

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

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 and do not exceed the applicable limits under the laws and regulations.

**SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION**

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extra Ordinary General Meeting held on 15<sup>th</sup> November, 2018 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Alteration in Articles of Association as per the provisions of the Companies Act, 2013 pursuant to Special Resolution passed in Extra Ordinary General Meeting held on 15<sup>th</sup> November, 2018.

Name of Company changed from Hindprakash Lonsen Industries Private Limited to Hindprakash Industries Private Limited vide Special Resolution passed at Extra – Ordinary General Meeting held on 16<sup>th</sup> February, 2018.

ARTICLE NO.	INTERPRETATION	HEADING
1.	In these Articles unless there be something in the subject matter or context inconsistent therewith	
	i. <b>“The Act”</b> - means the Companies Act, 1956 and / or the Companies Act 2013 (as may be in force) as the context may so require and includes any statutory modification or re-enactment thereof for the time being in force.	<b>The Act</b>
	ii. <b>“Articles”</b> means Articles of Association of the Company as originally framed or altered from time to time.	<b>Articles</b>
	iii. <b>“Beneficial Owner”</b> shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	<b>Beneficial Owner</b>
	iv. <b>“Board or Board of Director”</b> means the Collective body of the Board of Directors of the Company.	<b>Board or Board of Directors</b>
	v. <b>“Chairman”</b> means the Chairman of the Board of the Directors of the Company.	<b>Chairman</b>
	vi. <b>“The Company”</b> means <b>Hindprakash Industries Limited</b>	<b>The Company</b>
	vii. <b>“Debenture”</b> includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.	<b>Debenture</b>
	viii. <b>“Depositories Act, 1996”</b> shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	<b>Depositories Act, 1996</b>
	ix. <b>“Depository”</b> shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	<b>Depository</b>
	x. <b>“Directors”</b> means the Directors appointed to the board for the time being of the Company.	<b>Directors</b>
	xi. <b>“Dividend”</b> includes any interim dividend	<b>Dividend</b>
	xii. <b>“Document”</b> means a document as defined in Section 2 (36) of the Companies Act, 2013.	<b>Document</b>
	xiii. <b>“Executor” or “Administrator”</b> means a person who has obtained Probate or Letter of Administration, as the case may be, from a Competent Court.	<b>Executor or Administrator</b>
	xiv. <b>“Equity Share Capital”</b> , with reference to any Company limited by shares, means all share capital which is not preference share capital	<b>Equity Share Capital</b>

xv.	“ <b>KMP</b> ” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	<b>KMP</b>
xvi.	“ <b>Managing Director</b> ” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	<b>Managing Director</b>
xvii.	“ <b>Members</b> ” means the duly registered holders, from time to time of the shares of the Company and includes the subscribers to the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.	<b>Members</b>
xviii.	“ <b>Memorandum</b> ” means the Memorandum of Association of a Company as originally framed or as altered from time to time in pursuance of any previous Company Law or of this Act.	<b>Memorandum</b>
xix.	“ <b>Month</b> ” means Calendar month	<b>Month</b>
xx.	“ <b>Office</b> ” means the registered office for the time being of the Company.	<b>Office</b>
xxi.	“ <b>Ordinary Resolution</b> ” shall have the same meaning assigned to it by Section 114 of the Companies Act, 2013.	<b>Ordinary Resolution</b>
xxii.	“ <b>Paid-up share capital</b> ” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.	<b>Paid-up share Capital</b>
xxiii.	“ <b>Postal Ballot</b> ” means voting by post or through any electronic mode	<b>Postal Ballot</b>
xxiv.	<p>“<b>Promoter</b>” means a person—</p> <p>(a) who has been named as such in a prospectus or is identified by the Company in the annual return referred to in section 92; or</p> <p>(b) who has control over the affairs of the Company, directly or indirectly whether as a shareholder, Director or otherwise; or</p> <p>(c) in accordance with whose advice, directions or instructions the Board of Directors of the Company is accustomed to act.</p> <p>Provided that nothing in sub-clause (c) shall apply to a person who acting merely in a professional capacity</p>	<b>Promoter</b>
xxv.	“ <b>Proxy</b> ” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	<b>Proxy</b>
xxvi.	“ <b>Public Holiday</b> ” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.	<b>Public Holiday</b>

	xxvii. <b>“The Register of Members”</b> - means the register of members to be kept pursuant to Section 88 of the Companies Act, 2013.	<b>The Register of Members</b>
	xxviii. <b>“Registrar”</b> means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	<b>Registrar</b>
	xxix. <b>“Rules”</b> means the applicable rules as prescribed under the relevant sections of the Act for time being in force	<b>Rules</b>
	xxx. <b>“SEBI”</b> means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	<b>SEBI</b>
	xxxi. <b>“Securities”</b> means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	<b>Securities</b>
	xxxii. <b>“Share”</b> means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	<b>Share</b>
	xxxiii. <b>“Seal”</b> means the common seal of the Company.	<b>Seal</b>
	xxxiv. <b>“Special Resolution”</b> shall have the meaning assigned thereto by Section 114 of the Companies Act, 2013.	<b>Special Resolution</b>
	xxxv. <b>“Preference Share Capital”</b> , with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to— <ul style="list-style-type: none"> <li>(a) payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and</li> <li>(b) repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;</li> </ul>	<b>Preference Share Capital</b>
	xxxvi. <b>“Tribunal”</b> – means the National Company Law Tribunal constituted under Section 408 of the Companies Act, 2013.	<b>Tribunal</b>
	xxxvii. <b>“Whole-time Director”</b> includes a Director in the whole-time employment of the Company.	<b>Whole-time Director</b>
	xxxviii. <b>“Year”</b> - means the calendar year and “Financial Year” - shall have the meaning assigned thereto by Section 2(41) of the Companies Act, 2013.	<b>Year</b>
	Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.	

	'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in a visible form.	
2.	The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	<b>Authorised Share Capital</b>
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the resolution passed by members/ Board shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Sections 47 and 55 of the Companies Act, 2013.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, and any other applicable provisions of the Act or any law for the time being in force, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	<b>Issue of Sweat Equity Shares</b>
5.	Whenever the share capital of the Company, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or by means of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. Provided that if variation by one class of shareholders of the Company affects the rights of any other class of Shareholders of the Company, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this Article shall apply to such variation. The rights conferred upon the holders of the shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges shall unless otherwise expressly provided by the terms of the issue of shares of that class be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking paripassu therewith.	<b>Modification of rights</b>
6.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on	<b>Issue of Debentures</b>

	condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.	
7.	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,-</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p> <p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>	<b>Issue of Share Certificates</b>
8.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of Twenty Rupees for each certificate.	
9.	Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	<b>Issue of Share Certificates</b>
10.	The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.	
11.	i. The Company may exercise the powers of paying commissions	<b>Power to pay</b>

	<p>conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other</p>	<b>Commission in connection with the Securities issued</b>
12.	<p>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</p>	<b>Variations of Shareholder's rights</b>
13.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking paripassu therewith.	
14.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.	<b>Issue of Preference Shares</b>
15.	<p>(1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p> <p>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p>	<b>Further Issue of shares</b>



	<p>(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	
16.	<p>i. The Company shall have a first and paramount lien—</p> <p>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share provided that every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer’s lien shall be restricted to moneys called or payable at fixed time in respect of such shares; and;</p> <p>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company:</p> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The Company’s lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>	
17.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>a. unless a sum in respect of which the lien exists is presently payable; or</p> <p>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p>	<b>Lien</b>
18.	<p>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p>	
19.	<p>i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	
20.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-</p> <p>a) The Company shall at its discretion, be entitled to decline to register</p>	<b>Joint Holdings</b>

	<p>more than three persons as the joint-holders of any share.</p> <p>b) If any share stands in the names of two or more persons the first named in the Register shall, as regards receipts of dividends or bonus or service of notice or any other matter connected with the Company, except voting at meetings and the transfer of the shares, be deemed the sole holder thereof.</p> <p>c) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</p> <p>d) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</p> <p>e) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</p> <p>f) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.</p> <p>g):</p> <p>(i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</p> <p>(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</p> <p>h) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.</p>	
<p>21.</p>	<p>Notwithstanding anything contained hereinabove, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law of such a member in the event of death of the said member/s subject to the provisions of the Companies Act, 2013, and other applicable laws.</p>	<p><b>Nomination</b></p>

22.	<p>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call. Provided further that option or right to calls on shares shall not be given to any person except with the sanction of the shareholders in the general meeting.</p> <p>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	<b>Calls on shares</b>
23.	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.	
24.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
25.	<p>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
26.	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture.</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
27.	<p>The Board—</p> <p>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p>	
28.	Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.	

	Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.	
29.	The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.	
30.	The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.	
31.	<ul style="list-style-type: none"> <li>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</li> <li>ii. Each share in the Company shall be distinguished by its appropriate number.</li> <li>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</li> <li>iv. In the case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.</li> </ul>	<b>Transfer of shares</b>
32.	<ul style="list-style-type: none"> <li>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</li> <li>ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</li> </ul>	
33.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-</p> <ul style="list-style-type: none"> <li>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</li> <li>ii. any transfer of shares on which the Company has a lien.</li> <li>iii. provided however that the Company will not decline to register or acknowledge any transfer of shares 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.</li> <li>iv. a common form of transfer shall be used in case of transfer of shares.</li> </ul>	
34.	<p>The Board shall decline to recognize any instrument of transfer unless—</p> <ul style="list-style-type: none"> <li>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</li> <li>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares. Provided that, transfer of shares in whatever lot shall not be refused.</li> <li>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</li> <li>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the</li> </ul>	

	<p>transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</p> <p>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</p>	
35.	<p>Subject to the provisions of Sections 58 of the Companies Act, 2013, or any statutory modification thereof for the time being in force, the Directors may, at any time, in their own absolute and uncontrolled discretion decline to register or acknowledge any transfer of any share for sufficient cause and in particular may so decline in any case in which the Company has a lien upon the shares desired to be transferred or any call or installment regarding any of them remains unpaid. The registration of a transfer shall be conclusive evidence of the approval of the Directors of the transferee.</p> <p>PROVIDED THAT registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.</p>	
36.	<p>The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.</p>	
37.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p>	
38.	<p>The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.</p>	
39.	<p>The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.</p>	<b>Register of Transfers</b>
40.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996. Option for Investors : Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p>	<b>Dematerialization of Securities</b>

	<p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>b. Securities in Depository to be in fungible form:-</p> <ul style="list-style-type: none"> <li>• All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</li> <li>• Nothing contained in Sections 88, 89, 112 &amp; 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</li> </ul> <p>c. Rights of Depositories &amp; Beneficial Owners:- Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>d. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>e. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.</p>	
41.	<p>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</p>	<b>Transmission of shares</b>

	<p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
42.	<p>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>a. to be registered himself as holder of the share; or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>	
43.	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	
44.	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	
45.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
46.	<p>Except where a deceased member had made a nomination in respect of the shares held (in which case such shares shall be dealt with in the manner prescribed by the Act and the Rules thereunder), the executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the shares registered in the names of such member, and the Company shall not be bound to recognize</p>	

	such executors or administrators or holders of a succession certificate of the legal representative unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession Certificate as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 71 the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member, as a member.	
47.	If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.	<b>Forfeiture of shares</b>
48.	The notice aforesaid shall— i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
49.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	
50.	i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	
51.	i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	
52.	i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off; iii. The transferee shall thereupon be registered as the holder of the share; and iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any	



	irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.	
53.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share	
54.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	
55.	Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	
56.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
57.	The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
58.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
59.	Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Initial payment not to preclude forfeiture</b>
60.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	
61.	Subject to the provisions of section 61, the Company may, by ordinary resolution,— i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iv. Cancel any shares which, at the date of the passing of the resolution,	<b>Alteration of capital</b>

	have not been taken or agreed to be taken by any person.	
62.	<p>Where shares are converted into stock,—</p> <p>i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p> <p>ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</p>	<b>Conversion of Shares into Stock</b>
63.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,—</p> <p>i. its share capital;</p> <p>ii. any capital redemption reserve account; or</p> <p>iii. Any share premium account.</p>	<b>Reduction of Capital</b>
64.	<p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p>	<b>Share Warrants</b>

	The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.	
65.	<ul style="list-style-type: none"> <li>i. The Company in general meeting may, upon the recommendation of the Board, resolve— <ul style="list-style-type: none"> <li>a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</li> <li>b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</li> </ul> </li> <li>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards— <ul style="list-style-type: none"> <li>a. paying up any amounts for the time being unpaid on any shares held by such members respectively;</li> <li>b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;</li> <li>c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</li> <li>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</li> <li>e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.</li> </ul> </li> </ul>	<b>Capitalization of profits</b>
66.	<ul style="list-style-type: none"> <li>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall— <ul style="list-style-type: none"> <li>a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and</li> <li>b. generally to do all acts and things required to give effect thereto.</li> </ul> </li> <li>ii. The Board shall have power— <ul style="list-style-type: none"> <li>a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and</li> <li>b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;</li> </ul> </li> <li>iii. Any agreement made under such authority shall be effective and binding on such members.</li> </ul>	

	iv. Capital paid-up in advance of calls may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.	
67.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	<b>Buy-back of shares</b>
68.	All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.	<b>General Meeting</b>
69.	<p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.</p> <p>iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p>	
70.	<p>i. Every notice of a meeting of the Company shall specify the place, date, day and hour of the meeting and shall contain a statement of the business to be transacted thereat.</p> <p>ii. The notice of every meeting shall be given to:</p> <p>(a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member;</p> <p>(b) the Auditor or Auditors for the time being of the Company; and</p> <p>(c) every Director of the Company.</p> <p>iii. In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote at the meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.</p>	
71.	<p>The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless :</p> <p>(a) a copy of a requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the registered office of the Company-</p> <p>(i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting,</p> <p>(ii) in the case of any other requisition not less than two weeks before the meeting, and</p>	

	<p>(b) there is deposited or tendered with the requisition a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.</p> <p>PROVIDED that if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called on a date within six weeks after such copy has been deposited, the copy, although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.</p>		
72.	<p>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <p>ii. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</p> <p>iii. In any other case, the quorum shall be decided as under:</p> <p>a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p>	<b>Proceedings at general meetings</b>	
73.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.		
74.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.		
75.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.		
76.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.		
77.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.		
78.	<p>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p>		<b>Demand for poll</b>

	ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.	
79.	<p>i. A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</p>	<b>Time of taking poll</b>
80.	<p>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<b>Adjournment of meeting</b>
81.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</p>	
82.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
83.	<p>i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Voting rights</b>
84.	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.	
85.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
86.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
87.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	

88.	<p>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p>	
89.	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.	
90.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	<b>Casting Vote</b>
91.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorize such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	<b>Representation of Body Corporate</b>
92.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	<b>Circulation of member's resolution</b>
93.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	<b>Resolution requiring special notice</b>
94.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	<b>Resolutions passed at adjourned meeting</b>
95.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	<b>Registration of resolutions and agreements</b>
96.	<p>i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p> <p>ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :</p> <p>A. In the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the</p>	<b>Minutes of proceedings of general meeting and of Board and other meetings</b>

	<p>Chairman of the next succeeding meeting.</p> <p>B. In the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</p> <p>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>a. the names of the Directors present at the meetings, and</p> <p>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>a. is or could reasonably be regarded, as defamatory of any person</p> <p>b. is irrelevant or immaterial to the proceedings; or</p> <p>c. in detrimental to the interests of the Company.</p> <p>iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
97.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	<b>Minutes to be considered to be evidence</b>
98.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	<b>Publication of reports of proceeding of general meetings</b>
99.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Proxy</b>
100.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
101.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or	



	transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
102.	<p>The First Directors of the Company are :</p> <p><b>1. MR. SANTOSH NAMBIAR</b>  <b>2. MR. SACHIN MODI</b></p> <p>The directors of the Company as on the date of adoption of this AOA are:</p> <p>1. MR. SANTOSH NARAYAN NAMBIAR  2. MR. SANJAYPRAKASH OMPRAKASH MANGAL  3. MR. VIPINPRAKASH OMPRAKASH MANGAL</p>	
103.	The Directors need not hold any “Qualification Share(s)”.	
104.	<p>Appointment of Senior Executive as a Whole Time Director subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He shall be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p> <p>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—</p> <p>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p> <p>b. in connection with the business of the company</p>	<b>Board of Directors</b>
105.	The Board may pay all expenses incurred in getting up and registering the company.	
106.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.	
107.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company,	

	shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	
108.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
109.	<p>i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p>	
110.	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	
111.	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
112.	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
113.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	<b>Retirement and Rotation of Directors</b>
114.	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
115.	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	

116.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as “the Corporation”) continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors wholetime or non-wholetime (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	<b>Nominee Director</b>
117.	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
118.	The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
119.	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors. Provided that if any such Nominee Directors is an Officer of the Financial Institution, the sitting fees in relation to such Nominee Directors shall also accrue to the Financial Institution as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	

120.	Provided also that in the event of the Nominee Directors being appointed as Wholetime Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
121.	The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	
122.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
123.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
124.	<p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <p>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</p> <p>(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</p> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	<b>Removal of Directors</b>
125.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
126.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
127.	If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act: Provided that the director who was removed from office shall not be	

	reappointed as a director by the Board of Directors.	
128.	Nothing in this section shall be taken- a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or b) as derogating from any power to remove a director under other provisions of this Act.	
129.	The Board may appoint a person, not being a person holding any alternate Directorship for any other Director in the Company (hereinafter called the Original Director) to act as an Alternate Director for the Original Director during his absence for a period of not less than three months from India. Provided that no person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an independent Director under the provisions of the Act. Every such Alternate Director, shall subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director is determined before he returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of Alternate Director</b>
130.	The Directors shall have power at any time and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his office only upto the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.	<b>Directors may fill Vacancies</b>
131.	Subject to the provisions of Section 167 of the Companies Act, 2013, the office of a Director shall become vacant if : (a) he incurs any of the disqualifications specified in Section 164 of the Companies Act, 2013; (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board; (c) he acts in contravention of the provisions of Section 184 of the Companies Act, 2013, relating to entering into contracts or arrangements in which he is directly or indirectly interested; (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Companies Act, 2013; (e) he becomes disqualified by an order of a court or the Tribunal; (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months: Provided that the office shall be vacated by the Director even if he has	<b>Vacation of office by Directors</b>

	<p>filed an appeal against the order of such court;</p> <p>(g) he is removed in pursuance of the provisions of the Act;</p> <p>(h) he, having been appointed a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate Company, ceases to hold such office or other employment in that Company.</p>	
132.	<p>Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>b. In connection with the business of the Company.</p>	<p><b>Remuneration and sitting fees to Directors including Managing and whole time Directors</b></p>
133.	<p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to appoint internal auditors and secretarial auditor;</p> <p>n. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</p> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up</p>	<p><b>Powers and duties of Directors:</b></p> <p><b>Certain powers to be exercised by the Board only at meeting.</b></p>

	<p>to which moneys may be borrowed by the delegate.</p> <p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
134.	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting :</p> <p>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</p> <p>b) remit, or give time for the repayment of any debt, due by a Director;</p> <p>c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</p> <p>d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or</p> <p>e) contribute to <i>bona fide</i> charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.</p> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <p>a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</p> <p>b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</p> <p>iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless</p>	<p><b>Restriction on powers of Board</b></p>

	the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.	
135.	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	
136.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	<b>General powers of the Company vested in Directors</b>
137.	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <ol style="list-style-type: none"> <li>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</li> <li>ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</li> <li>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</li> <li>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</li> <li>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt</li> </ol>	<b>Specific powers given to Directors</b>



	<p>or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</p> <p>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</p> <p>vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;</p> <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or</p>	
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	<p>realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not</p>	
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	<p>exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p>	
138.	<p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>b) The managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 &amp; 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	<b>Power to appoint Managing or Whole-time Directors</b>
139.	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	<b>Proceedings of the Board</b>
140.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
141.	<p>a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
142.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the	

	Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	
143.	The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	
144.	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office and if no period is determined then he may continue till he is removed by the board.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</p>	
145.	<p>a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.</p> <p>b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p>	<b>Delegation of Powers of Board to Committee</b>
146.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>	
147.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	
148.	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	
149.	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.	
150.	<p>Subject to the provisions of the Act,—</p> <p>a) A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p>	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>
151.	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, manager, Company	

	Secretary or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.	
152.	<p>a) The Board shall provide for the safe custody of the seal.</p> <p>b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>	<b>The Seal</b>
153.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.	
155.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
156.	<p>a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>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 dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Dividend</b>
157.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	
158.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	

	b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	
159.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	
160.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	
161.	No dividend shall bear interest against the Company. Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;	
162.	Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the "Unpaid Dividend " Hindprakash Industries Limited" as per provisions of Section 124 and any other pertinent provisions in rules made thereof. Any money which remains unpaid or unclaimed and is transferred to the Unpaid Dividend Account of the Company in pursuance of this Article should not be forfeited before the claimed barred by law. The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under Section 125 of the Act.	
163.	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	
164.	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
165.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.	<b>Inspection of Books of Accounts</b>
166.	Minutes Books of General Meetings a) The books containing the minutes of the proceedings of any general meeting of the Company shall; i. be kept at the registered office of the Company, and ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two	<b>Inspection of Statutory Documents of the Company</b>

	<p>hours in each day are allowed for inspection.</p> <p>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.</p> <p>Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p>	
167.	<p>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <p>a. by any member or creditor without any payment of fees; or</p> <p>b. by any other person on payment of such fees as may be prescribed, Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	<b>Register of charges</b>
168.	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.</p> <p>c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.</p>	<b>Audit</b>

169.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.</p>	<b>Winding up</b>
170.	<p>Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under.</p>	<b>Indemnity</b>
171.	<p>a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</p> <p>b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</p>	<b>Secrecy</b>



**SECTION X: OTHER INFORMATION**

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of 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 delivered to the Registrar of Companies, Ahmedabad, for registration, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office of our Company from 10.00 am to 5.00 pm on Working Days from the date of this Prospectus until the Issue Closing Date.

**A. Material Contracts to the Issue**

1. Issue Agreement dated August 05, 2019 and entered into among our Company and the Lead Manager.
2. Agreement dated August 05, 2019 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated February 26, 2019 entered into among our Company, NSDL and Registrar to the Issue.
4. Tripartite Agreement dated February 28, 2019 entered into among our Company, CDSL and Registrar to the Issue.
5. Public Issue Account Agreement dated December 26, 2019 between our Company, the Lead Manager, Banker to the Issue/Sponsor Bank and Registrar to the Issue.
6. Market Making Agreement dated December 26, 2019 between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated December 26, 2019 between our Company, the Lead Manager and the Underwriter.

**B. Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation dated November 11, 2008 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The name of our Company was changed to Hindprakash Industries Private Limited vide a fresh Certificate of Incorporation dated March 14, 2018 issued by the Registrar of Companies, Ahmedabad. Fresh Certificate of Incorporation dated November 29, 2018 issued by the Registrar of Companies, Ahmedabad consequent upon conversion of the Company to Public Company.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated July 04, 2019 and July 29, 2019, respectively, authorizing the Issue and other related matters.
4. Copies of the Audited Financial Statements of our Company for the period ended on September 30, 2019 and for the financial years ended March 31, 2019, March 31, 2018 and March 31, 2017.
5. Copy of Restated Financial Statements for the period ended on September 30, 2019 and for the financial years ended March 31, 2019, March 31, 2018 and March 31, 2017 and Auditors Report on Restated Financials dated November 22, 2019.
6. Copy of the Statement of Tax Benefits from the Statutory Auditor M/s. Kedia & Kedia Associates, Chartered Accountants dated August 14, 2019 and from M/s. Rahil S Shah & Associates, dated August 26, 2019 as included in this Prospectus.
7. Consents of Banker to our Company, Bankers to the Issue and Sponsor Bank, the Lead Manager, Market Maker, Underwriter, Registrar to the Issue, Legal Advisor, Promoters of our Company, Directors of our Company, Chief Financial Officer, Company Secretary & Compliance Officer, Statutory Auditor and Experts.

8. Board Resolutions dated September 20, 2019 and January 7, 2020 for approval of Draft Prospectus and Prospectus, respectively.
9. Due Diligence Certificate from Lead Manager dated September 20, 2019.
10. In-principle approval from NSE vide letter dated November 11, 2019 to use their name in the offer document for listing the Equity Shares on the SME Platform of NSE (NSE Emerge).

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

We certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

<b>Name and Designation</b>	<b>Signature</b>
<b>Sanjay Prakash Mangal</b> <i>Managing Director</i>	Sd/-
<b>Santosh Narayan Nambiar</b> <i>Whole-Time Director</i>	Sd/-
<b>Om Prakash Mangal</b> <i>Non-Executive Director</i>	Sd/-
<b>Rachana Abhinav Agrawal</b> <i>Non-Executive Director</i>	Sd/-
<b>Sanjaykumar Kailashchandra Gupta</b> <i>Independent Director</i>	Sd/-
<b>Jitendra Kumar Sharma</b> <i>Independent Director</i>	Sd/-

**SIGNED BY CHIEF FINANCIAL OFFICER:**

Sd/-

**Hetal Kishorbhai Shah**  
*Chief Financial Officer*

**SIGNED BY COMPANY SECRETARY AND COMPLIANCE OFFICER:**

Sd/-

**Utsav Himanshu Trivedi**  
*Company Secretary and Compliance Officer*

**Date:** January 07, 2020

**Place:** Ahmedabad