



MANGALAM GLOBAL ENTERPRISE LIMITED

Our Company was originally incorporated as “Hindprakash Colouchem Private Limited” as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010, bearing Corporate Identification Number U24224GJ2010PTC062434, issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, the name of our company was changed to “Mangalam Global Enterprise Private Limited” to signify the change in Company’s operations, pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 vide a fresh Certificate of Incorporation dated July 31, 2014 issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to a special resolution passed by the shareholders at Extra-Ordinary General Meeting of our Company held September 17, 2019 consequent to which the name of our Company was changed to “Mangalam Global Enterprise Limited” vide a fresh Certificate of Incorporation dated September 30, 2019 issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

Registered Office: 101, Mangalam Corporate House, 19/B Kalyan Society near M.G. International School, Mithakhali, Ahmedabad -380006, Gujarat, India;
Tel: +91 79 26442555; **E-mail:** info@groupmangalam.com; **Website:** www.groupmangalam.com
Contact Person: Ritu Shah, Company Secretary and Compliance officer;

PROMOTERS OF OUR COMPANY: VIPIN PRAKASH MANGAL, CHANAKYA PRAKASH MANGAL AND CHANDRAGUPT PRAKASH MANGAL

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF 42,30,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FULLY PAID OF MANGALAM GLOBAL ENTERPRISE LIMITED (“THE ISSUER” OR “OUR COMPANY”) FOR CASH AT A PRICE OF ₹ 51/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 41/- PER EQUITY SHARE) (THE “ISSUE PRICE”) AGGREGATING ₹ 2157.30/- LAKHS (THE “ISSUE”) OF WHICH 2,12,000 EQUITY SHARES OF FACE VALUE ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 51/- PER EQUITY SHARE, AGGREGATING ₹ 108.12/- LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 40,18,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 51/- PER EQUITY SHARE IS HERINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.34 % AND 25.02 %, RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE ISSUE PRICE OF ₹ 51/- IS 5.1 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue has been made for at least 25% of the post- issue paid-up Equity Share capital of our Company. This is a Fixed Price Issue in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”) and allocation in the net issue to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. All Applicants, shall only participate in the issue through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank account (including UPI ID for RIIs using UPI Mechanism) (UPI ID, RIIs and UPI Mechanism are defined hereinafter) wherein the Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Application Amounts. For details, see “Issue Procedure” on page 242 of this Prospectus.

RISK IN RELATION TO FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each. The Issue Price as stated in “Basis for Issue Price” on page 93 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on the EMERGE Platform of the National Stock Exchange of India Limited. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 35 of this Prospectus.

ISSUER’S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue; that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this 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 of our Company offered through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”), in terms of the Chapter IX of the SEBI ICDR Regulations, 2018, as amended from time to time. Our Company has received an in-principle approval letter dated November 06, 2019 from National Stock Exchange of India Limited for using its name in the Offer document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

 **PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**
406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra East, Mumbai – 400 051,
Maharashtra, India
Tel: +91-22 6194 6700
Fax: +91-22 2659 8690
Website: www.pantomathgroup.com
Email: ipo@pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Unmesh Zagade
SEBI Registration No: INM000012110

 **LINK INTIME INDIA PRIVATE LIMITED**
C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Website: www.linkintime.co.in
Email: mangalam.ipo@linkintime.co.in
Investor Grievance Id: mangalam.ipo@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

ISSUE PROGRAMME

ISSUE OPENS ON : FRIDAY, NOVEMBER 15, 2019

ISSUE CLOSES ON: WEDNESDAY, NOVEMBER 20, 2019

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States of America and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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.

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or reenactments notified thereto.

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Key Industry Regulations and Policies*”, “*Financial Statements*”, “*Outstanding Litigation and Other Material Developments*”, will have the meaning ascribed to such terms in these respective sections.

| Term | Description |
|--|--|
| “Mangalam Global Enterprise Limited”, “our Company”, “the Company”, “the Issuer Company”, and “the Issuer” | Mangalam Global Enterprise Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 101, Mangalam Corporate House, 19/B Kalyan Society Near M.G. International School, Mithakhali, Ahmedabad- 380006, Gujarat. |
| “We”, “our”, “us” or “Group” | Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries. |

COMPANY RELATED TERMS

| Term | Description |
|---|--|
| AOA/Articles / Articles of Association | The Articles of Association of our Company, as amended from time to time |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder vide Board Resolution dated September 23, 2019. |
| Banker to the Company | Such banks which are disclosed as bankers to the Company in the chapter titled “ <i>General Information</i> ” on page 57 of this Prospectus. |
| Board of Directors / the Board / Our Board / Directors | The Board of Directors of our Company, including all duly constituted Committees thereof. |
| Chairman/ Chairperson | The Chairman/ Chairperson of Board of Directors of Mangalam Global Enterprise Limited being Vipin Prakash Mangal. |
| Chief Financial Officer / CFO | The Chief Financial Officer of our Company being Ashutosh Mehta |
| CIN | Corporate Identification Number of our Company U24224GJ2010PLC062434 |
| Company Secretary and Compliance Officer / (CS) | The Company Secretary and Compliance Officer of our Company being Rutu Shah |
| Equity Shares/Shares The equity shares of our Company of a face value of Rs. 10/- each unless | The equity shares of our Company of a face value of Rs. 10/- each unless otherwise specified in the context thereof |
| Equity Shareholders/Shareholders | The holders of the Equity Shares of the Company |
| Group Companies/Entities | Such companies as are included in the chapter titled “ <i>Our Group Companies</i> ” beginning on page 181 of this Prospectus. |

| Term | Description |
|--|---|
| Independent Director | A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations |
| ISIN | International Securities Identification Number. In this case being INE0APB01016 |
| Joint Managing Directors | The Joint Managing Director of our Company are Chanakya Prakash Mangal and Chandragupt Prakash Mangal. |
| Key Management Personnel / KMP | Key management personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations. and as identified in chapter titled “ <i>Our Management</i> ” on page 160 of this Prospectus |
| Materiality Policy | The policy adopted by our Board on September 25, 2019 for identification of Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations. |
| MoA/ Memorandum of Association | The Memorandum of Association of our Company, as amended from time to time |
| Nomination & Remuneration Committee | The committee of the Board of Directors constituted as the Company’s Nomination & Remuneration Committee in accordance with Section 178(1) of the Companies Act, 2013 and rules made thereunder vide Board resolution dated September 23, 2019 and disclosed as such in the chapter titled “ <i>Our Management</i> ” on page 160 of this Prospectus |
| Promoter(s) | Promoters of our company being Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal. |
| Promoter Group | Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 175 of this Prospectus. |
| Registrar of Companies/ RoC | Office of Registrar of Companies, situated at ROC Bhavan , Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013 Gujarat |
| Registered Office | The registered office of our Company situated at 101, Mangalam Corporate House, 19/B Kalyan Society Near M.G. International School, Mithakhali, Ahmedabad- 380006, Gujarat. |
| Stakeholders’ Relationship Committee | The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 and rules made thereunder vide Board resolution dated September 23, 2019. |
| Statutory Auditors or Auditors | The Statutory Auditors of our Company being M/s. Keyur Shah & Co. holding a valid peer review certificate dated July 30, 2018. |
| “you”, “your” or “yours” Prospective Investors in this Issue | “you”, “your” or “yours” Prospective Investors in this Issue |

ISSUE RELATED TERMS

| Term | Description |
|--|--|
| Acknowledgement Slip | The acknowledgement slips or document issued by the Designated Intermediary to an Applicant as proof of registration of Application. |
| Allot / Allotment /Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants. |
| Allotment Advice | 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 |
| Allottee(s) | A successful Applicants to whom the Equity Shares are being Allotted |
| Applicant | Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied, includes an ASBA Applicant |
| Application | An indication to make an issue during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations. |
| Application Amount | The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form. |
| Application Supported by Blocked Amount/ ASBA | An application for subscribing to the Issue, along with an authorization to self-certified syndicate bank to block the application money in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism. |
| ASBA / Location(s) / Specified Cities | Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad. |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Application Amount in relation to an Application by an ASBA Applicant. |
| ASBA Applicants | Any Applicant except Anchor Investor |
| ASBA Form/Application Form | An application form (with or without UPI ID, as applicable), whether physical or electronic, used by ASBA Applicants to submit Applications which will be considered as the application for Allotment in terms of the Prospectus |
| Banker to the Issue/ Refund Banker/ Public Issue Bank / Escrow collection bank | The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being HDFC Bank Limited |
| Bankers to the Issue Agreement / Cash Escrow Agreement / Escrow Agreement | Banker to the Issue Agreement entered on November 04, 2019 amongst our Company, Lead Manager, the Registrar to the Issue and Public Issue Bank/ Banker to the Issue for collection of the Application Amount on the terms and conditions thereof. |
| Basis of Allotment | The basis on which the Equity Shares will be allotted to successful Applicants under the Issue, described in “ <i>Issue Procedure</i> ” on page 242 of this Prospectus |

| Term | Description |
|---|---|
| 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 centers, along with the name and contact details of the Registered Brokers, are available on the website of the National Stock Exchange of India Limited on the following link- www.nseindia.com |
| CAN/ Confirmation of Allocation Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange. |
| Client ID | Client identification number of the Applicant's beneficiary account |
| Collecting Depository Participant | 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 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 issued by SEBI issued by SEBI |
| Collecting Registrar and Share Transfer Agent | Registrar to an issue and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Collection Centers | Centers at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker center for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs |
| Controlling Branches of the SCSBs | Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time |
| Demographic Details | The details of the Applicants including the Applicants address, names of the Applicants father/husband, investor status, occupations and bank account details |
| Depository / Depositories | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 |
| Depository Participant / DP | A depository participant as defined under the Depositories Act. |
| Designated CDP Locations | Such centers of the CDPs where Applicants can submit the Application Forms. 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 (www.nseindia.com) and updated from time to time |
| Designated Date | The date on which the Collection Banks transferred funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts including the accounts linked with UPI ID, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus. |
| Designated Intermediaries / Collecting Agent | An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a Registrar to an Issue and Share |

| Term | Description |
|--|--|
| | Transfer Agent (RTA) (whose names are mentioned on website of the stock exchange as eligible for this activity). |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange (www.nseindia.com) |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at (www.sebi.gov.in) or at such other website as may be prescribed by SEBI from time to time |
| Designated Stock Exchange/ Stock Exchange | National Stock Exchange of India Limited. |
| Draft Prospectus / DP | The Draft Prospectus dated October 21, 2019, filed with Emerge Platform of National Stock Exchange of India Limited. |
| Eligible NRI | NRIs from jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein |
| Equity Shares or Ordinary Shares | The ordinary shares of our Company having a face value of Rs. 10/-, unless otherwise specified in the context thereof |
| FII/Foreign Institutional Investors | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India |
| First Applicant/ Applicant | Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint applications, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| First Applicant/ Applicant | Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint application, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Fresh Issue | Fresh issue of 42,30,000 Equity Shares aggregating to Rs. 2157.30 lakhs |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018. |
| General Information Document | 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 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 notified by the SEBI. and included in “ <i>Issue Procedure</i> ” on page 242 of this Prospectus |
| Non- Institutional Portion | The portion of the Issue being not more than 50% of the Net Issue consisting of 20,80,000 Equity Shares, available for allocation to Non- Institutional Applicants, on a proportionate basis. |
| Issue / Issue Size/ Public Issue | Initial public issue of 42,30,000 equity shares of face value of Rs. 10/- each of the Company for cash at a price of Rs. 51/- per equity share (including a premium of Rs. 41/- per equity share) aggregating Rs. 2157.30 lakhs comprises a reservation of 2,12,000 Equity Shares aggregating Rs. 108.12 lakhs for market maker (“the market maker reservation portion”). |

| Term | Description |
|----------------------------------|---|
| | The Issue and the Net Issue constituted 26.34 % and 25.02 % of the post-issue paid-up Equity Share capital of our Company, respectively. |
| Issue Agreement | The agreement dated October 17, 2019 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date after which Designated Intermediary will not accept any Application for this issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being November 20, 2019. |
| Issue Opening Date | The date on which the Designated Intermediary shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being November 15, 2019. |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, including any revisions thereof. |
| Issue Price | The Price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 51/- per equity share. |
| Issue Proceeds | The proceeds of the Issue. For further information about use of the Issue Proceeds refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 86 of this Prospectus. |
| Lead Manager/ LM | Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker. |
| Listing Agreement | Unless the context specifies otherwise, this means the Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited. |
| Lot size | Lot size 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereof |
| Mandate Request | Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment. |
| Market Maker | Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time |
| Market Maker Reservation Portion | 2,12,000 Equity Shares of Rs. 10/- each at Rs. 51/- per Equity Share aggregating to Rs. 108.12 Lakhs reserved for subscription by the Market Maker |
| Market Making Agreement | Market Making Agreement dated October 17, 2019 between our Company, Lead Manager and Market Maker |
| Mobile App(s) | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, |

| Term | Description |
|---|---|
| | which may be used by RIBs to submit Applications using the UPI Mechanism. |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time |
| National Payments Corporation of India (NPCI) | NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA). |
| Net Issue | The Issue less the Market Maker reservation portion. |
| Net Proceeds | Proceeds from the Fresh Issue after deduction of Issue expenses. |
| NIF | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India |
| Non Resident | A person resident outside India, as defined under FEMA Regulations |
| Non-Institutional Investors / NIIs | All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000/- but not including NRIs other than Eligible NRIs |
| Non-Resident Indian/ NRI | A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue |
| Payment through electronic transfer of funds | Payment through NECS, NEFT or Direct Credit, as applicable |
| Person/ Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Prospectus | The Prospectus to be filed with RoC on or after Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Issue Price, the size of the Issue and certain other information |
| Public Issue Account(s) | The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts and from the Escrow Accounts. |
| Refund Account | Account to which Application monies to be refunded to the Applicants in case of failure of the Issue |
| Refund Bank(s)/Refund Banker(s) | The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being HDFC Bank Limited. |
| Refund through electronic | Refunds through NECS, direct credit, RTGS or NEFT, as applicable |

| Term | Description |
|---|---|
| transfer of funds | |
| Registered Brokers | Individuals or companies registered with SEBI as “Trading Members” who hold valid membership of NSE 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 www.nseindia.com |
| Registrar Agreement | The Agreement between the Registrar to the Issue and the Issuer Company dated October 17, 2019 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 issued by SEBI issued by SEBI |
| Registrar/ Registrar to the Issue/ RTI | Registrar/ Registrar to the Issue, in this case being Link Intime India Private Limited. |
| Restated Financial Information | Restated consolidated financial statements of assets and liabilities as at March 31, 2019 and for period ended June 30, 2019 and Restated consolidated statement of profit and loss and cash flows at and for each of the year ended March 31, 2019 and for period ended on June 30, 2019 together with the annexures and notes thereto prepared in terms of the requirements of the Companies Act, 2013, as amended read with SEBI ICDR Regulations as amended from time to time. Restated standalone financial statements of assets and liabilities as at March 31, 2019, 2018 & 2017 and for period ended June 30, 2019 and Restated standalone statement of profit and loss and cash flows at and for each of the years ended March 31, 2019, 2018 & 2017 and for period ended on June 30, 2019 together with the annexures and notes thereto prepared in terms of the requirements of the Companies Act, 2013, as amended read with SEBI ICDR Regulations as amended from time to time. |
| Retail Individual Applicants / RIBs / Retail Individual Investors/ RIIs | Individual Applicants, submitting Applications, who have Application for Equity Shares for an amount not more than Rs. 200,000 in any of the applying options in the Net Issue (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs). |
| Retail Portion | The portion of the Issue being not less than 50% of the Net Issue, consisting of 20,10,000 Equity Shares, available for allocation to Retail Individual Applicants. |
| Revision Form | The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. |
| SEBI (Foreign Portfolio Investor) Regulations | Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014 |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time |

| Term | Description |
|--|--|
| Securities Law | The Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board |
| Self-Certified Syndicate Banks/SCSB's/SCSB | Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at (www.sebi.gov.in) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time |
| SME Exchange | Emerge Platform of National Stock Exchange of India Limited |
| Specified Locations | Collection centers where the SCSBs shall accept application form, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time |
| Specified Securities | The equity shares Offered through this Prospectus/ Prospectus |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. |
| Transaction Registration Slip/TRS | The slip or document issued by the Syndicate or SCSB (only on demand), to the Applicant as proof of registration of the Application |
| Underwriter | Pantomath Capital Advisors Private Limited |
| Underwriting Agreement | The agreement dated October 17, 2019 entered into between the Underwriters, our Company. |
| Unified Payments Interface (UPI) | UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c. |
| 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 ID Linked bank account | Account of the RIIs, Applying in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Application Amount and subsequent debit of funds in case of Allotment. |
| UPI Mandate Request | Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment. |
| UPI Mechanism | The mechanism using UPI that may be used by an RII to make an Application in the Issue in accordance with SEBI Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 |
| UPI PIN | Password to authenticate UPI transaction |
| Wilful defaulter | A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person who or which is categorized as a wilful |

| Term | Description |
|----------------|--|
| | defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on wilful defaulter issued by the RBI. |
| Working Day(s) | <p>In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the Mumbai are open for business</p> <ol style="list-style-type: none"> 1. However, in respect of announcement of price band and application/ Issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business 2. In respect to the time period between the application/ Issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |

TECHNICAL / INDUSTRY RELATED TERMS

| Term | Description |
|-------------|--|
| AUTFS | Amended Technology Upgradation Fund Scheme |
| CAD | Current Account Deficit |
| CCEA | Cabinet Committee on Economic Affairs |
| CP | Continuous Polymerization |
| CPI | Consumer Prices Index |
| DGFT | Directorate General of Foreign Trade |
| EMDEs | Emerging Market and Developing Economies |
| FDI | Foreign Direct Investment |
| GAV | Gross Value Added |
| GDP | Gross Domestic Product |
| IIP | Index of Industrial Production |
| IWDP | Integrated Wool Development Programme |
| MEIS | Merchandise Exports from India Scheme |
| NBFC | Non-Banking Financial Companies |
| NEER | Nominal Effective Exchange Rate |
| PMP | Phased Manufacturing Programme |
| PPP | Purchasing Power Parity |
| TUFS | Technology Up-gradation Fund Scheme |
| USDA's | U.S. Department of Agriculture's |
| WEO | World Economic Outlook |
| WPI | Wholesale Price Index |

CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

| Term | Description |
|--|---|
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AIF(s) | Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations |
| Air Act | The Air (Prevention and Control of Pollution) Act, 1981 |
| AoA | Articles of Association |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| Associate | A person who is an associate of the issuer and as defined under the Companies Act, 2013 |
| Authorized Dealers | Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000 |
| AY | Assessment Year |
| BG/LC | Bank Guarantee / Letter of Credit |
| Bn | Billion |
| CAGR | Compounded Annual Growth Rate |
| Category I Foreign Portfolio Investor(s) | FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations. |
| Category II Foreign Portfolio Investor(s) | An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations |
| Category III Foreign Portfolio Investor(s) | FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices. |
| CC | Cash Credit |
| CCI | The Competition Commission of India |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CGST | Central GST |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| Companies Act | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder |

| Term | Description |
|-------------------------|--|
| Companies Act, 1956 | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) |
| Companies Act, 2013 | Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder |
| Consolidated FDI Policy | The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time |
| CMP | Current Market Price |
| Contract Act | The Indian Contract Act, 1872 |
| COPRA | The Consumer Protection Act, 1986 |
| CSR | Corporate Social Responsibility |
| CST | Central Sales Tax |
| Depositories Act | The Depositories Act, 1996 |
| DIN | Director Identification Number |
| DIPP | Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI |
| DP | Depository Participant |
| DP ID | Depository Participant's identity number |
| DTC | Direct Tax Code, 2013 |
| EBITDA | Revenue from operations (net) less total expenses (expenses other than finance cost, and depreciation and amortization). |
| EBITDA Margin | EBITDA divided by revenue from operations (net). |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| Electricity Act | The Electricity Act, 2003 |
| EPA | The Environment Protection Act, 1986 |
| EPF Act | The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 |
| EPS | Earnings per share |
| ER Act | The Equal Remuneration Act, 1976 |
| ESI Act | The Employees' State Insurance Act, 1948 |
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Option Plan |
| ESPS | Employee Stock Purchase Scheme |
| FCNR Account | Foreign Currency Non Resident (Bank) account established in accordance with the FEMA |
| FDI | Foreign direct investment |

| Term | Description |
|---|---|
| FEMA | The Foreign Exchange Management Act, 1999 read with rules and regulations there under |
| FEMA Regulations | The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended time to time |
| FI | Financial Institutions |
| FII(s) | Foreign Institutional Investors as defined under SEBI FPI Regulations |
| Financial Year / Fiscal Year / FY | The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year |
| FIPB | Foreign Investment Promotion Board |
| Foreign Portfolio Investor or FPIs | A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India. |
| Fugitive economic offender | An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 |
| FV | Face Value |
| FVCI | Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI |
| GAAP | Generally Accepted Accounting Principles |
| GIR Number | General Index Registry Number |
| GoI/Government | Government of India |
| Gratuity Act | The Payment of Gratuity Act, 1972 |
| GST Act | The Central Goods and Services Tax Act, 2017 |
| Hazardous Wastes Rules | Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008 |
| HNI | High Net worth Individual |
| HUF | Hindu Undivided Family |
| ICAI | The Institute of Chartered Accountants of India |
| ICDR/ ICDR Regulations/ SEBI ICDR/ SEBIs (ICDR) Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time |
| ICSI | The Institute of Company Secretaries of India |
| ID Act | The Industrial Disputes Act, 1947 |
| IDRA | The Industrial (Development and Regulation) Act, 1951 |
| IE Act | The Indian Easements Act, 1882 |
| IEM | Industrial Entrepreneurs Memorandum |
| IFRS | International Financial Reporting Standards |
| IFSC | Indian Financial System Code |

| Term | Description |
|-----------------------------|---|
| IGST | Integrated GST |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| INR or Rupee or Rs. or Rs. | Indian Rupee, the official currency of the Republic of India |
| Insider Trading Regulations | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. |
| IPO | Initial Public Offering |
| IT Act | Income Tax Act, 1961 |
| KMP | Key Managerial Personnel |
| LM | Lead Manager |
| Ltd. | Limited |
| M. A | Master of Arts |
| M. Com | Master of Commerce |
| M.B.A | Master of Business Administration |
| Maternity Benefit Act | Maternity Benefit Act, 1961 |
| MCA | The Ministry of Corporate Affairs, GoI |
| MCI | Ministry of Commerce and Industry, GoI |
| Mn | Million |
| MoEF | Ministry of Environment and Forests |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| MSME | Micro, Small and Medium Enterprise |
| Mutual Funds | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| MWA | Minimum Wages Act, 1948 |
| NA | Not Applicable |
| NAV | Net asset value |
| NBFC | Non-Banking Finance Company |
| NI Act | The Negotiable Instruments Act, 1881 |
| No. | Number |
| Noise Regulation Rules | The Noise Pollution (Regulation & Control) Rules 2000 |
| Notified Sections | The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account established and operated in accordance with the FEMA |
| NRO Account | Non-Resident Ordinary Account established and operated in accordance with the FEMA |

| Term | Description |
|-------------------------------|--|
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB | Overseas Corporate Bodies |
| p.a. | Per Annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent account number |
| PAT | Profit after Tax |
| PBT | Profit Before Tax |
| Pcs | Pieces |
| PIL | Public Interest Litigation |
| POB Act | Payment of Bonus Act, 1965 |
| Public Liability Act/PLI Act | The Public Liability Insurance Act, 1991 |
| Pvt./(P) | Private |
| QFI(s) | Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations |
| QIB | Qualified Institutional Buyer |
| R&D | Research & Development |
| RBI | The Reserve Bank of India |
| Registration Act | The Indian Registration Act, 1908 |
| RoC or Registrar of Companies | The Registrar of Companies |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| RTGS | Real Time Gross Settlement |
| Rule 144A | Rule 144A under the U.S. Securities Act, 1933 |
| SCRA | Securities Contracts (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time. |
| SEBI | The Securities and Exchange Board of India constituted under the SEBI Act |
| SEBI (LODR) Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time |
| SEBI Act | The Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |

| Term | Description |
|---------------------------|--|
| SEBI SBEB Regulations | Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. |
| SEBI Takeover Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time. |
| SGST | State GST |
| SHWW/SHWW Act | The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| SME | Small and Medium Enterprise |
| STT | Securities Transaction Tax |
| TAN | Tax Deduction Account Number |
| TIN | Taxpayers Identification Number |
| TM Act | The Trademarks Act, 1999 |
| TRS | Transaction Registration Slip |
| U.S. GAAP | Generally Accepted Accounting Principles in the United States of America |
| U.S. Securities Act | The United States Securities Act, 1933 |
| u/s | Under Section |
| UIN | Unique Identification Number |
| UPI | Unified Payments Interface |
| US\$ or USD or US Dollars | United States Dollar, the official currency of the United States of America |
| USA or U.S. or US | United States of America |
| VAT | Value Added Tax |
| VCF/ Venture Capital Fund | Foreign 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. |
| w.e.f. | With effect from |
| Wages Act | Payment of Wages Act, 1936 |
| Water Act | The Water (Prevention and Control of Pollution) Act, 1974 |
| WCA | The Workmen's Compensation Act, 1923 |
| WDV | Written Down Value |
| WTD | Whole-time Director |
| YoY | Year over year |

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 265 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

- ii. In the section titled “*Financial Information*” beginning on page 193 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 35 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 98 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 195 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘*Financial Information*’ beginning on page 193 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Information*’ beginning on page 193 of this Prospectus.

CURRENCY OF PRESENTATION

In this Prospectus, references to “Rupees” or “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus has been obtained from publically available information and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

FORWARD LOOKING STATEMENT

This Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

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

General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in industry which we operate;
- Factors affecting the industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, 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;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 35 and 194 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – OFFER DOCUMENT SUMMARY

OVERVIEW OF INDUSTRY

Production of castor oil has played a very crucial role in the cosmetic and chemical industry. Key players of castor oil market are anticipating strong performance. Manufacturers are entering new markets through the acquisition of major regional players of castor oil, in order to enhance their product offerings and manufacturing facilities. Companies are investing significantly in research & development to gain competitive advantage.

Cotton plays an important role in the Indian economy as the country's textile industry is predominantly cotton based. India is one of the largest producers as well as exporters of cotton yarn. The textile industry is also expected to reach US\$ 223 billion by the year 2021. Cotton yarn and fabrics exports accounts for about 23 per cent of India's total textiles and apparel exports

For further details please see the chapter titled “*Our Industry*” beginning on page 101 of this Prospectus.

OVERVIEW OF BUSINESS

We are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. We have also diversified our business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. Company has one cotton processing unit at Harij, Gujarat and two well-equipped Castor processing units at Harij and Palanpur, Gujarat respectively for undertaking manufacturing operations of abovementioned two product segments. We are also engaged in the trading of Castor Seeds and Raw Cotton.

For, further details regarding risk involved in Business of the Company and risk in relation to the Issue, refer to chapter titled “Risk Factor” and “Our Business” beginning on page 35 and 122 of this Prospectus.

PROMOTERS OF OUR COMPANY

Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal are the Promoters of our Company.

DETAILS OF THE ISSUE

Initial Public Offer consisting of fresh issue of 42,30,000 equity shares of face value of Rs. 10/- each fully paid of Mangalam Global Enterprise Limited (“the issuer” or “our company”) for cash at a price of Rs. 51/- per equity share (including a share premium of Rs. 41/- per equity share) (the “issue price”) aggregating Rs. 2157.30/- lakhs (the “issue”) of which 2,12,000 equity shares of face value Rs. 10/- each for cash at a price of Rs. 51/- per equity share, aggregating Rs. 108.12/- lakhs will be reserved for subscription by the market maker to the issue (the “market maker reservation portion”). The issue less market maker reservation portion i.e. Issue of 40,18,000 equity shares of face value of Rs. 10/- each for cash at a price of Rs. 51/- per equity share is hereinafter referred to as the “Net Issue”. The issue and the net issue will constitute 26.34 % and 25.02 %, respectively of the fully diluted post issue paid up equity share capital of our company.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds of the Issue (Issue proceeds less the issue expenses) towards the following Objects:

(Rs. in lakhs)

| Sr. No. | Particulars | Estimated Amount | Percentage of Gross Proceeds | Percentage of Net Proceeds |
|---------|---|------------------|------------------------------|----------------------------|
| 1. | Funding the working capital requirements of our Company | 1,700.00 | 78.80% | 80.57% |
| 2. | General Corporate Purposes | 410.00 | 19.01% | 19.43% |

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Our Promoter and Promoter Group are collectively holding 1,13,98,790 equity shares of our Company aggregating to 96.38% of the pre-issue paid-up share capital of our Company. Following are the details of shareholding of Promoters and promoter group:

| S. No. | Name of Shareholder | Pre-Issue | |
|-----------------------|----------------------------|----------------------|------------------------|
| | | No. of Equity Shares | % of Pre-Issue Capital |
| (I) | (II) | (III) | (IV) |
| Promoters | | | |
| 1. | Vipin Prakash Mangal | 9,56,940 | 8.09% |
| 2. | Chanakya Prakash Mangal | 20,74,100 | 17.54% |
| 3. | Chandragupt Prakash Mangal | 21,98,875 | 18.59% |
| | Sub-Total (A) | 52,29,915 | 44.22% |
| Promoter-Group | | | |
| 4. | Rashmi Mangal | 9,06,890 | 7.67% |
| 5. | Hemlata Mangal | 69,045 | 0.58% |
| 6. | Om Prakash Mangal | 14,28,575 | 12.08% |
| 7. | Mangalam Worldwide Pvt Ltd | 17,50,005 | 14.80% |
| 8. | Zaddoc Nutrition Pvt Ltd | 20,14,360 | 17.03% |
| | Sub-Total (B) | 61,68,875 | 52.16% |
| | TOTAL (A)+(B) | 1,13,98,790 | 96.38% |

SUMMARY OF FINANCIAL INFORMATION

Following are the details as per the Restated Consolidated Financial Information for the period ended June 30, 2019 and as at and for the Financial Year ended on March 31, 2019 and as per the Restated Standalone Financial Information as at and for the period ended on June 30, 2019 the Financial Years ended on March 31, 2019, 2018 and 2017:

Based on Restated Standalone Financial Information:

(Rs. in lakhs)

| Particulars | June 30, 2019 | March 31, 2019 | March 31, 2018 | March 31, 2017 |
|------------------------------------|---------------|----------------|----------------|----------------|
| Share Capital | 232.55 | 232.55 | 54.50 | 4.50 |
| Net Worth | 3,348.22 | 3,242.83 | 534.52 | 8.62 |
| Revenue* | 14,570.98 | 32,949.72 | 2,689.36 | 268.51 |
| Profit after tax | 105.39 | 216.98 | 25.89 | 9.41 |
| Earnings per share (in Rs.) | 0.91 | 2.20 | 0.28 | 0.10 |
| Net asset value per share (in Rs.) | 28.80 | 27.89 | 5.43 | 0.09 |

| Particulars | June 30, 2019 | March 31, 2019 | March 31, 2018 | March 31, 2017 |
|---|---------------|----------------|----------------|----------------|
| Total borrowings (as per balance sheet)** | 5,306.80 | 1,116.16 | 238.56 | 619.65 |

*Revenue from operations

**inclusive of current maturities

Based on Restated Consolidated Financial Information:

(Rs. in lakhs)

| Particulars | June 30, 2019 | March 31, 2019 |
|---|---------------|----------------|
| Share Capital | 232.55 | 232.55 |
| Net Worth | 3,535.35 | 3,432.91 |
| Revenue* | 14,627.89 | 38,980.52 |
| Profit after tax | 102.11 | 227.31 |
| Earnings per share (in Rs.) | 0.88 | 2.31 |
| Net asset value per share (in Rs.) | 30.41 | 29.52 |
| Total borrowings (as per balance sheet)** | 7,518.15 | 2,873.93 |

*Revenue from operations

**inclusive of current maturities

AUDITOR QUALIFICATIONS

There are no Auditor qualification which have not been given effect to in the Restated Financial Statements.

SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Subsidiaries, Promoters and Directors are currently involved in certain litigation which is Our Group Companies are involved in certain Income tax related proceedings. They have been issued notices under Income Tax Act, 1961 and related proceedings are pending with relevant statutory authorities at various jurisdictions. They are also involved in certain indirect tax (Service Tax) related proceedings which are pending with relevant tax authority. Certain stamp duty related proceedings involving our Group Company is currently pending at relevant stamp authority.

Except as mentioned above, there are no legal proceedings by or against our Company, Directors, Promoters, Subsidiary Company, Group Companies. A classification of legal proceedings is mentioned below:

| Name of Entity | Criminal Proceedings | Actions by Regulatory Authorities | Tax Proceedings | Other Material Proceedings | Aggregate amount involved (Rs. in lakhs) |
|-----------------------|----------------------|-----------------------------------|-----------------|----------------------------|--|
| By the Company | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil |
| By the Promoter | Nil | Nil | Nil | Nil | Nil |
| Against the Promoter | Nil | Nil | Nil | Nil | Nil |
| By the Directors | Nil | Nil | Nil | Nil | Nil |
| Against the Directors | Nil | Nil | Nil | Nil | Nil |

| | | | | | |
|---------------------------------|-----|-----|-----|-----|--------|
| By Group Companies | Nil | Nil | Nil | Nil | Nil |
| Against Group Companies | Nil | Nil | 3 | 1 | 172.78 |
| By the Subsidiaries | Nil | Nil | Nil | Nil | Nil |
| Against the Subsidiaries | Nil | Nil | Nil | Nil | Nil |

For further details in relation to legal proceedings involving our Company, Promoters, Directors, Subsidiary Companies, Group Companies please refer the chapter titled — “*Outstanding Litigations and Material Developments*” on page 217 of this Prospectus.

RISK FACTORS

Please see the chapter “*Risk factors*” beginning on page 35 of this Prospectus.

SUMMARY OF RELATED PARTY TRANSACTION

Following are the summary detail of the related party transactions of the Company as per the Restated Consolidated Financial Information for the period ended on June 30, 2019 and as at and for Financial Year ended on March 31, 2019, 2018 and 2017 and the details as per the Restated Standalone Financial Information for the period ended on June 30, 2019:

a. *Based on Restated Standalone Financial*

(Rs. In Lakhs)

| Name of Party | Nature of Transaction | Amount debited upto 30.06.2019 | Amount credited upto 30.06.2019 | Amount debited in 2018-19 | Amount credited in 2018-19 | Amount debited in 2017-18 | Amount credited in 2017-18 | Amount debited in 2016-17 | Amount credited in 2016-17 |
|---------------------------|-------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| Vipin Prakash Mangal | Foreign travelling exps | - | - | - | - | - | - | 0.49 | 0.49 |
| | Share Issue | - | - | 135.22 | 135.22 | 31.00 | 31.00 | - | - |
| | Reimbursement Expense | 4.14 | 4.14 | - | - | - | - | - | - |
| | Interest on Borrowing | - | 14.16 | - | - | - | - | - | - |
| | Loan | 229.25 | 762.25 | 199.23 | 192.00 | 32.04 | 13.00 | - | 11.00 |
| Om Prakash Mangal | Share Issue | - | - | 135.22 | 135.22 | - | - | - | - |
| | Unsecured Loans | - | - | 452.50 | 450.00 | - | 2.50 | - | - |
| Hemalata Omprakash Mangal | Salary | - | 0.88 | 4.50 | 4.50 | 6.00 | 6.00 | - | - |
| | Share Issue | - | - | - | - | 4.00 | 4.00 | - | - |
| | Loan | - | - | 50.00 | 50.00 | - | - | - | - |

| Name of Party | Nature of Transaction | Amount debited upto 30.06.2019 | Amount credited upto 30.06.2019 | Amount debited in 2018-19 | Amount credited in 2018-19 | Amount debited in 2017-18 | Amount credited in 2017-18 | Amount debited in 2016-17 | Amount credited in 2016-17 |
|----------------------------|-------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| Sanjay Prakash Mangal | Salary | - | 0.99 | - | - | - | - | - | - |
| Rashmi Mangal | Salary | - | 2.35 | 4.50 | 4.50 | 6.00 | 6.00 | - | - |
| | Interest on Borrowing | - | 0.67 | - | - | - | - | - | - |
| | Loan | - | 47.50 | 155.12 | 151.00 | 174.00 | 3.50 | 32.00 | 112.00 |
| | Share Issue | - | - | 101.61 | 101.61 | 155.00 | 155.00 | - | - |
| | foreign travelling exps | - | - | - | - | - | - | 1.09 | 1.09 |
| | Rent | - | - | 0.05 | 0.05 | 0.62 | 0.62 | - | - |
| Chanakya Prakash Mangal | Rent | 4.39 | 4.39 | - | - | 1.34 | 1.34 | 2.00 | 1.80 |
| | Rent Deposit | 2.70 | - | - | - | - | - | - | - |
| | Investment | - | - | 0.50 | 0.50 | - | - | - | - |
| | Interest on Borrowing | - | 0.08 | - | - | - | - | - | - |
| | loan | 7.00 | 10.00 | 665.63 | 556.05 | 179.67 | 67.50 | - | 98.00 |
| | Share Issue | - | - | 351.43 | 351.43 | 155.00 | 155.00 | - | - |
| | foreign travelling exps | - | - | - | - | - | - | 0.25 | 0.25 |
| | Salary | 6.00 | 9.31 | 4.50 | 4.50 | 6.09 | 6.09 | - | - |
| Chandragupt Prakash Mangal | Salary | - | 2.31 | - | - | - | - | - | - |
| | foreign travelling exps | - | - | - | - | - | - | 0.25 | 0.25 |
| | Interest on Borrowing | - | 0.12 | - | - | - | - | - | - |

| Name of Party | Nature of Transaction | Amount debited upto 30.06.2019 | Amount credited upto 30.06.2019 | Amount debited in 2018-19 | Amount credited in 2018-19 | Amount debited in 2017-18 | Amount credited in 2017-18 | Amount debited in 2016-17 | Amount credited in 2016-17 |
|--|-----------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| | loan | - | 13.00 | 507.12 | 451.00 | 166.88 | 75.00 | - | 98.00 |
| | Share Issue | - | - | 386.37 | 386.37 | 155.00 | 155.00 | - | - |
| | Consultancy Fees | 6.50 | 6.50 | 10.25 | 10.25 | - | - | - | - |
| Mangalam Worldwide Private Limited | Reimbursement Expense | - | - | - | - | - | - | 0.02 | 0.02 |
| | Share Issue | - | - | 645.00 | 645.00 | - | - | - | - |
| | Sales (Rent) | - | - | 1.30 | 1.30 | - | - | - | - |
| Hindprakash Castor Derivatives Private Limited | Advances for Goods | - | - | 868.43 | 868.43 | - | - | - | - |
| | Sales | - | - | 660.21 | 660.21 | - | - | - | - |
| | Rent Deposit | - | - | 20.00 | - | - | - | - | - |
| | Rent | 32.40 | 33.17 | 59.57 | 54.00 | - | - | - | - |
| | Loans and Advance | 32.80 | 190.00 | 404.50 | 238.00 | - | - | - | - |
| | Interest on advance | - | 4.25 | 23.40 | 25.76 | - | - | - | - |
| | Purchase | 159.82 | 159.82 | 4,801.79 | 4,801.79 | - | - | - | - |
| Shanker Global Pvt. Ltd. | | - | - | - | - | - | - | - | 49.00 |
| Hindprakash Tradelink Private Limited | Purchase | - | - | - | - | 1,168.56 | 1,168.56 | - | - |
| | Sales | - | - | - | - | 398.06 | 398.06 | 134.23 | 134.23 |
| | Interest on Borrowing | - | 0.87 | 6.92 | 6.92 | - | - | - | - |
| | Loan | - | 160.00 | 980.75 | 980.75 | 0.09 | 95.09 | 95.00 | - |
| Shirshak Exim LLP | Reimbursement Expense | 0.03 | 0.03 | - | - | - | - | - | - |

| Name of Party | Nature of Transaction | Amount debited upto 30.06.2019 | Amount credited upto 30.06.2019 | Amount debited in 2018-19 | Amount credited in 2018-19 | Amount debited in 2017-18 | Amount credited in 2017-18 | Amount debited in 2016-17 | Amount credited in 2016-17 |
|------------------------------------|-------------------------|--------------------------------|---------------------------------|---------------------------|----------------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| | Purchase | - | - | 272.03 | 272.03 | - | - | - | - |
| Zaddoc Nutrition Private Limited | Share Issue | - | - | 564.02 | 564.02 | - | - | - | - |
| | Interest on Borrowing | - | - | 19.19 | 19.19 | - | - | - | - |
| | Loans | - | - | 1,434.02 | 1,434.02 | - | - | - | - |
| Ecofine Colourchem Private Limited | Loans | - | - | 8.10 | - | - | - | - | - |
| | Interest on advance | - | - | 0.50 | - | - | - | - | - |
| ECS Environment Private Limited | Purchase of fixed asset | - | - | 1.83 | 1.83 | - | - | - | - |
| | Rent Income | - | - | 0.61 | 0.55 | - | - | - | - |
| | Sales | - | 23.06 | 125.54 | 9.00 | - | - | - | - |

b. Based on Restated Consolidated Financial

| Name of Party | Nature of Relation | Nature of Transaction | Amount of Transaction debited upto 30.06.2019 | Amount of Transaction credited upto 30.06.2019 | Amount of Transaction debited in 2018-19 | Amount of Transaction credited in 2018-19 |
|---|----------------------|--------------------------|---|--|--|---|
| Vipin Prakash Mangal (Holding Co.) | Promoter | Foreign Travelling Exps. | - | - | - | - |
| | | Share Issue | - | - | 135.22 | 135.22 |
| | | Reimbursement Expense | 4.14 | 4.14 | - | - |
| | | Interest on Borrowing | - | 14.16 | - | - |
| | | Loan | 229.25 | 762.25 | 199.23 | 192.00 |
| Om Prakash Mangal (Holding Co.) | Relative of Promoter | Share Issue | - | - | 135.22 | 135.22 |
| | | Unsecured Loans | - | - | 452.50 | 450.00 |
| Hemalata Omprakash Mangal (Holding Co.) | Relative of Promoter | Salary | - | 0.88 | 4.50 | 4.50 |
| | | Share Issue | - | - | - | - |
| | | Loan | - | - | 50.00 | 50.00 |

| Name of Party | Nature of Relation | Nature of Transaction | Amount of Transaction debited upto 30.06.2019 | Amount of Transaction credited upto 30.06.2019 | Amount of Transaction debited in 2018-19 | Amount of Transaction credited in 2018-19 |
|--|----------------------|--------------------------|---|--|--|---|
| Sanjay Prakash Mangal (Holding Co.) | Relative of Promoter | Salary | - | 0.99 | - | - |
| Rashmi Mangal (Holding Co.) | Relative of Promoter | Salary | - | 2.35 | 4.50 | 4.50 |
| | | Interest on Borrowing | - | 0.67 | - | - |
| | | Loan | - | 47.50 | 155.12 | 151.00 |
| | | Share Issue | - | - | 101.61 | 101.61 |
| | | Foreign Travelling Exps. | - | - | - | - |
| | | Rent | - | - | 0.05 | 0.05 |
| Chankya Prakash Mangal (Holding Co.) | Promoter | Rent | 4.39 | 4.39 | - | - |
| | | Rent Deposit | 2.70 | - | - | - |
| | | Investment | - | - | 0.50 | 0.50 |
| | | Interest on Borrowing | - | 0.08 | - | - |
| | | loan | 7.00 | 10.00 | 665.63 | 556.05 |
| | | Share Issue | - | - | 351.43 | 351.43 |
| | | Foreign Travelling Exps. | - | - | - | - |
| | | Salary | 6.00 | 9.31 | 4.50 | 4.50 |
| Chandragupt Prakash Mangal (Holding Co.) | Promoter | Salary | - | 2.31 | - | - |
| | | Foreign Travelling Exps. | - | - | - | - |
| | | Interest on Borrowing | - | 0.12 | - | - |
| | | loan | - | 13.00 | 507.12 | 451.00 |
| | | Share Issue | - | - | 386.37 | 386.37 |
| | | Consultancy Fees | 6.50 | 6.50 | 10.25 | 10.25 |

| | | | | | | |
|--|--------------------|-------------------------|--------|--------|----------|----------|
| Mangalam Worldwide Private Limited (Holding Co.) | Associate Company | Reimbursement Expense | - | - | - | - |
| | | Share Issue | - | - | 645.00 | 645.00 |
| | | Sales (Rent) | - | - | 1.30 | 1.30 |
| Hind Prakash Castor Derivatives Pvt Ltd (Holding Co.) | Subsidiary Company | Sales & Purchase | 159.82 | 159.82 | 5,193.30 | 5,172.80 |
| | | Rent Deposit | - | - | 20.00 | - |
| | | Rent Expenses | | | | |
| | | Rent Income | 32.40 | 33.17 | 0.57 | 0.57 |
| | | Loans and Advance | 32.80 | 190.00 | 404.50 | 238.00 |
| | | Interest on advance | 3.83 | - | 3.81 | - |
| Hindprakash Tradelink Private Limited (Holding Co.) | Associate Company | Purchase | - | - | - | - |
| | | Sales | - | - | - | - |
| | | Interest on Borrowing | - | 0.87 | 6.92 | 6.92 |
| | | Loan | - | 160.00 | 980.75 | 980.75 |
| Shirshak Exim LLP (Holding Co.) | Associate Company | Reimbursement Expense | 0.03 | 0.03 | - | - |
| | | Purchase | - | - | 272.03 | 272.03 |
| Zaddoc Nutrition Private Limited (Holding Co.) | Associate Company | Share Issue | - | - | 564.02 | 564.02 |
| | | Interest on Borrowing | - | - | 19.19 | 19.19 |
| | | Loans | - | - | 1,434.02 | 1,434.02 |
| Ecofine Colourchem Private Limited (Holding Co.) | Associate Company | Loans | - | - | 8.10 | - |
| | Associate Company | Interest on advance | - | - | 0.50 | - |
| ECS Environment Private Limited (Holding Co.) | Associate Company | Purchase of fixed asset | - | - | 1.83 | 1.83 |
| | | Rent Income | - | - | 0.61 | 0.55 |
| | | Sales | - | 23.06 | 125.54 | 9.00 |
| Brijesh Rajgor (Subsidiary Co.) | Director | Unsecured Loan | - | 12.00 | 595.00 | 827.52 |
| | | Int on loan | - | 5.26 | - | - |

| | | | | | | |
|---|----------------------|----------------------|------|-------|----------|----------|
| | | Share issue | - | - | 0.50 | 0.50 |
| | | salary | - | - | 4.00 | 4.00 |
| | | Purchase | - | - | 4,742.84 | 4,734.40 |
| Chankya Prakash Mangal (Subsidiary Co.) | Director | Salary | - | - | 4.20 | 4.20 |
| | | Int on loan | - | 0.77 | - | - |
| | | Rent | 0.32 | 0.32 | - | - |
| | | Rent Deposit | 0.18 | - | - | - |
| | | Share issue | - | - | 0.50 | 0.50 |
| | | Loan | - | - | 51.00 | 104.00 |
| Shirshak Exim LLP (Subsidiary Co.) | Associate Concern | Share issue | - | - | 59.50 | 59.50 |
| | | Loan | - | - | 0.50 | 0.50 |
| Om Oil Industries (Subsidiary Co.) | Associate Concern | Loan | 1.62 | 19.14 | 22.93 | - |
| | | Fixed Asset Purchase | - | - | 1,689.25 | 1,918.74 |
| | | Lease rent Expense | 2.00 | - | - | 2.00 |
| Rashmi Mangal (Subsidiary Co.) | Relative of Director | Salary | - | - | 4.10 | 4.10 |
| | | Int on Loan | - | 0.77 | - | - |
| | | Loan | - | - | 51.00 | 74.00 |
| Vipin Prakash Mangal (Subsidiary Co.) | Relative of Director | Salary | - | - | 4.10 | 4.10 |
| | | Int on loan | - | 0.77 | - | - |
| | | Loan | - | - | 51.00 | 99.00 |
| Chandragupt Prakash Mangal (Subsidiary Co.) | Relative of Director | Loan | - | - | 51.00 | 74.00 |
| | | Int on loan | - | 0.77 | - | - |
| | | Consulting Expenses | - | - | 5.00 | 5.00 |
| Shankarlal Rajgor (Subsidiary Co.) | Relative of Director | Fixed Asset Purchase | - | - | 15.50 | 15.50 |
| | | Loan | - | - | - | 15.50 |
| Vasantkumar ShankarLal Rajgor (Subsidiary Co.) | Relative of Director | Salary | - | - | 2.00 | 2.00 |
| | | Share issue | - | - | 17.00 | 17.00 |
| | | Loan | - | - | - | - |

| | | | | | | |
|---|----------------------|----------------------|---|---|-------|-------|
| | | Fixed Asset Purchase | - | - | 52.56 | 52.56 |
| Induben rajgor (Subsidiary Co.) | Relative of Director | Unsecured loan | - | - | - | 35.00 |
| | | Share issue | - | - | 16.50 | 16.50 |
| | | Salary | - | - | 2.00 | 2.00 |
| Anilkumar Vasudev Rajgor (Subsidiary Co.) | Relative of Director | Fixed Asset Purchase | - | - | 46.74 | 46.74 |
| | | Share issue | - | - | 17.00 | 17.00 |
| | | salary | - | - | 2.00 | 2.00 |
| Zenishaben Rajgor (Subsidiary Co.) | Relative of Director | salary | - | - | 2.00 | 2.00 |
| | | Loan | - | - | - | 35.00 |
| | | Share issue | - | - | 17.00 | 17.00 |
| Maheshkumar Shankarlal Rajgor (Subsidiary Co.) | Relative of Director | Salary | - | - | 2.00 | 2.00 |
| | | Fixed Asset Purchase | - | - | 37.27 | 37.27 |
| | | Share issue | - | - | 17.00 | 17.00 |
| Kiranben Maheshkumar Rajgor (Subsidiary Co.) | Relative of Director | Salary | - | - | 2.00 | 2.00 |
| | | loan | - | - | - | 35.00 |
| | | Share issue | - | - | 17.00 | 17.00 |
| Pareshkumar Vasudev Rajgor (Subsidiary Co.) | Relative of Director | salary | - | - | 2.00 | 2.00 |
| | | Share issue | - | - | 17.00 | 17.00 |
| | | Fixed Asset Purchase | - | - | 46.26 | 46.26 |
| Jagruti P Rajgor (Subsidiary Co.) | Relative of Director | salary | - | - | 2.00 | 2.00 |
| | | Loan | - | - | - | 35.00 |
| | | Share issue | - | - | 17.00 | 17.00 |
| Rahul Rajgor (Subsidiary Co.) | Relative of Director | Loan | - | - | - | 40.61 |

SUMMARY OF CONTINGENT LIABILITIES

Following is the summary of the Contingent Liabilities of the Company for the period ended June 30, 2019 and for the financial years ended on March 31, 2019, 2018 and 2017:

Based on Restated Standalone Financial Information:

(Rs.in lakhs)

| Particulars | For the Year ended on | | | |
|------------------------------------|-----------------------|-----------------|----------------|----------------|
| | June 30, 2019 | March 31, 2019 | March 31, 2018 | March 31, 2017 |
| Bank guarantees / Letter of Credit | 791.39 | 2,756.90 | - | - |
| Total | 791.39 | 2,756.90 | - | - |

Based on Restated Consolidated Financial Information:

(Rs. in lakhs)

| Particulars | For the Year ended on | | | |
|------------------------------------|-----------------------|-----------------|----------------|----------------|
| | June 30, 2019 | March 31, 2019 | March 31, 2018 | March 31, 2017 |
| Bank guarantees / Letter of Credit | 791.39 | 2,756.90 | - | - |
| Total | 791.39 | 2,756.90 | - | - |

For further details regarding the same, refer the Chapter titled "Financial Statement as Restated" beginning on page 193 of this Prospectus.

DETAILS OF FINANCING ARRANGEMENTS

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this Prospectus.

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES ACQUIRED BY EACH OF OUR PROMOTERS

The weighted average price of the Shares acquired by our Promoters within last 1 (One) year from the date of filing of this Prospectus are set forth in the table below:

| Name of Promoters | No. of equity share acquired | Weighted average price of shares acquired (in Rs.) |
|----------------------------|------------------------------|--|
| Vipin Prakash Mangal | 9,17,140 | 20.74 |
| Chanakya Prakash Mangal | 19,10,303 | 18.40 |
| Chandragupt Prakash Mangal | 20,35,076 | 18.99 |

AVERAGE COST OF ACQUISITION OF SHARES

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

| Name of promoter | No. of Shares held | Average Cost of Acquisition (In Rs.) |
|----------------------------|--------------------|--------------------------------------|
| Vipin Prakash Mangal | 9,56,940 | 23.21 |
| Chanakya Prakash Mangal | 20,74,100 | 24.46 |
| Chandragupt Prakash Mangal | 21,98,875 | 24.66 |

DETAILS OF PRE-IPO 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.

EQUITY SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

Except as mentioned below, we have not issued any Equity Shares for consideration other than cash during last one year from the date of this Prospectus:

| Date of Allotment / Fully Paid - up | No. of Equity Shares allotted | Face Value (in Rs.) | Issue Price (in Rs.) | Reasons for allotment | Benefits accrued to our Company |
|--|--------------------------------------|----------------------------|-----------------------------|------------------------------|--|
| March 31, 2019 | 13,37,593 | 10 | 140 | Right Issue | Conversion of Unsecured Loan |
| September 03, 2019 | 93,01,928 | 10 | Nil | Bonus Issue | Capitalization of reserves |

For further details please see the chapter titled "Capital Structure" beginning on page 68 of this Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken any split or consolidation of Equity Shares during the last one year from the date of this Prospectus.

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and which have been restated in accordance with the SEBI ICDR 2018 Regulations. To obtain a better understanding, you should read this Section in conjunction with the chapters titled “*Our Business*” beginning on page 122, “*Our Industry*” beginning on page 101 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 195 respectively, of this Prospectus as well as other financial information contained herein.

Materiality:

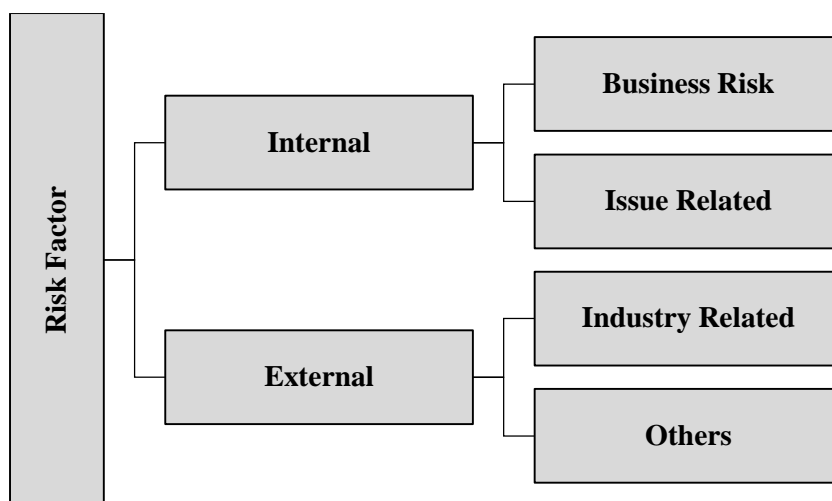
The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively; and
- Some events may not be material at present but may have material impact in future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “*Definitions and Abbreviation*” beginning on page 3 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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

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



INTERNAL RISKS FACTORS:

BUSINESS RELATED RISKS

- 1. Our business is subject to seasonal volatility, which may contribute to fluctuations in our results of operations and financial condition.**

The major raw materials used in our manufacturing operations are Castor Seeds and Raw Cotton. Due to the seasonal availability of these two items, our business is seasonal in nature. The period during which our business may experience higher revenues varies from season to season depending upon the availability and thereafter harvesting of these raw materials. During the crop season, we are able to procure these raw materials at reasonable terms and in substantial quantities, whereas during the off-season their availability is less and also there are price variations. Accordingly, our revenue in one quarter may not accurately reflect the revenue trend for the whole Financial Year. The seasonality of Castor Seeds and Raw Cotton and its impacts may cause fluctuations in our result of operations and financial conditions.

- 2. Our cost of production is exposed to fluctuations in the prices of our raw materials such as Castor Seeds and Raw Cotton.**

We are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. We also manufacture Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. Castor Seeds and Raw Cotton are two important raw materials required in the manufacturing of abovementioned finished products. We source required raw materials as mentioned above through domestic market. We are exposed to fluctuations in the price of the raw materials such as Castor Seeds and Raw Cotton and may be unable to control factors affecting the price directly or indirectly at which we procure such materials, particularly as we do not enter into any supply agreements with our suppliers. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in price to our customers. Particularly, we do pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins.

- 3. We have a very limited operating history of our manufacturing operations, which may make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company was originally incorporated in the year 2010. Our Company was converted into a Public Limited Company on September 30, 2019. However, we started commercial manufacturing activities for Refined Castor Oil and Cotton Bales and Cotton Seeds in the year 2018 only. We were engaged in the trading business before starting commercial manufacturing of our abovementioned products. Given our Company's limited operating history as a manufacturer, we may not have sufficient experience to address the risks frequently encountered by early stage manufacturing companies, including our ability to successfully complete our orders or maintain adequate control of our costs and expenses.

Given the fragmented nature of the industry in which we operate, we often do not have complete information about accurate government data regarding crop output, total sowing, total dealings etc. and accordingly we may underestimate supply in the market. If we are unsuccessful in addressing such risks, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early stage manufacturing company and should not rely on our results of operations for any prior periods as an indication of our future performance. For further details, see the section titled “*Our History and Certain Corporate Matters*” and “*Financial Statements as Restated*” at page 152 and 193 respectively of this Prospectus.

4. We generally do business with our customers on purchase order basis and do not enter into long-term contracts with most of them.

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Further, our Company has not appointed any exclusive agents for handling its operations. 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.

5. Our top 10 customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top 10 and top 5 customers contributed 83.36 % and 68.09 % of our revenues for the period ended June 30, 2019 based on restated financial statements respectively. Further, our top 10 and top 5 customers contributed 86.49 % and 71.89 % of our revenues for the year ended March 31, 2019 based on restated financial statements respectively. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

Accordingly, we cannot assure you that the customers which contribute to the major part of our revenue stream will pay us the amounts due to us on time, or at all. In the event any of our significant customers fail to fulfil their respective obligations, our business, financial condition and results of operations would be adversely affected. While we believe we have maintained good and long term relationships with our customers. However, there can be no assurance that we will continue to have such long term relationship with them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

6. Ours is a high volume-low margin business.

Ours is a high volume low margin business. Our financial operations are largely dependent on the volume of the business we generate which will add to profits in absolute terms. We need to generate higher volume in terms of quantity to increase our profitability to make our products commercially feasible. Our inability to regularly grow our turnover and effectively execute our key business processes could lead to lower profitability and hence adversely affect our operating results, debt service capabilities and financial conditions. Due to the nature of the products we sell, we may not be able to charge higher margins on our products. Hence, our business model is heavily reliant on our ability to effectively grow our turnover and manage our key processes including but not limited to procurement of raw material/ traded goods, timely sales / order execution and continuous cost control of non-core activities. For further details regarding the discussions and explanations for our past results, please refer to the chapter titled – “*Management’s Discussions and Analysis of Financial Condition and Results of Operations*” on page 195 of this Prospectus.

7. Cotton is a highly flammable commodity. Any fire, or such mishaps or accidents at the Company’s facilities could lead to property damages, property loss and accident claims.

Cotton being a highly flammable commodity, every stage from procurement, processing, storage and transportation to trading is fraught with an imminent danger of an instant fire. The risk of fire hazard is increased due to increased automation and use of large volume of air for material handling. Any spark generated at these places can not only generate fire but also the same could propagate to other machines through cotton conveying. Any fire, or such mishaps or accidents at the Company's facilities could lead to property damages, property loss and accident claims.

8. The raw materials and the finished products stored at our factory premises may be subject to distortion and colour fading due to lapse of time.

The raw materials and the finished products of our Company are stored at the warehouse located in the factory of our Company. Cotton is subject to change in colour simply through their own natural aging process. In case the raw materials remained unused or the finished products remained unsold for a period of time they may fade their colour which may render them useless or reduce their usefulness. In case of any such incidence we may be required to either scrap the said product or we may not be able to realize proper price of the said products which could have an adverse effect on the profitability and production schedule of the Company.

9. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. In case of delay or failure to obtain the same, it could affect our business operations.

Pursuant to our conversion from a private limited company to a public limited company in the year 2018, our Company has yet to make applications for all its approvals except PAN and TAN for the change of name from its previous name to the current name which are yet to be received. License to import and store petroleum in an installation under Petroleum Rules 2002 for Unit 2 is in the previous name of the Company and the same is also required to be made in the new name of the Company. Unit II of the Company is leased by our Company from one of its Subsidiaries; certificates for a) use of Boiler for Unit 2 under Indian Boilers Act and b) consent to operate issued by State Pollution Control Board are currently in the name of a third party which are currently pending to be transferred in the name of our Subsidiary.

Also, certain approvals as mentioned below are currently not traceable by the Company: 1) Tax Deduction Account Number Certificate bearing number AHMH03561F; 2) Consent to Establish for a product at a particular production capacity issued by State Pollution Control Board for Unit 2; 3) Consent to Establish for a product at a particular production capacity issued by State Pollution Control Board for Unit 3.

Additionally, our Company has yet to apply for the following material licenses: 1) Renewal of license to work a factory under the Factories Act 1948 for all 3 Units; 2) Consent to Establish for a product at a particular production capacity issued by State Pollution Control Board for Unit 1; 3) Consent to Operate for a product at a particular production capacity issued by State Pollution Control Board for Unit 1 4) Certificate of Stability for all 3 Units 5) Boiler Certificate under Indian Boilers Act, 1923 for Unit 3.

Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. For more information, see chapter "*Government and Other Statutory Approvals*" on page 221 of this Prospectus.

10. Our Group Companies are currently involved in certain direct tax and indirect tax related proceedings which are pending at various stages with relevant tax authorities. Certain stamp duty related proceedings involving our Group Company are currently pending at relevant Stamp authority. Any adverse decision in these proceedings may render them liable to liabilities and penalties and may adversely affect our business and results of operations.

Our Group Companies are involved in certain Income tax related proceedings. They have been issued notices under Income Tax Act, 1961 and related proceedings are pending with relevant statutory authorities at various jurisdictions. They are also involved in certain indirect tax (Service Tax) related proceedings which are pending with relevant tax authority. Certain stamp duty related proceedings involving our Group Company is currently pending at relevant stamp authority.

Except as mentioned above, there are no legal proceedings by or against our Company, Directors, Promoters, Subsidiary Company, Group Companies. A classification of legal proceedings is mentioned below:

| Name of Entity | Criminal Proceedings | Actions by Regulatory Authorities | Tax Proceedings | Other Material Proceedings | Aggregate amount involved (Rs. in lakhs) |
|--------------------------|----------------------|-----------------------------------|-----------------|----------------------------|--|
| By the Company | Nil | Nil | Nil | Nil | Nil |
| Against the Company | Nil | Nil | Nil | Nil | Nil |
| By the Promoter | Nil | Nil | Nil | Nil | Nil |
| Against the Promoter | Nil | Nil | Nil | Nil | Nil |
| By the Directors | Nil | Nil | Nil | Nil | Nil |
| Against the Directors | Nil | Nil | Nil | Nil | Nil |
| By Group Companies | Nil | Nil | Nil | Nil | Nil |
| Against Group Companies | Nil | Nil | 3 | 1 | 172.78 |
| By the Subsidiaries | Nil | Nil | Nil | Nil | Nil |
| Against the Subsidiaries | Nil | Nil | Nil | Nil | Nil |

Also, we cannot assure you that, we, our promoters, our directors, our subsidiary Companies, Group Companies may not face legal proceedings in future; any adverse decision in such legal proceedings may impact our business and results of operations. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Subsidiary Companies, Group Companies please refer the chapter titled — “*Outstanding Litigations and Material Developments*” on page 217 of this Prospectus.

11. Our Company exports our products to countries such as Thailand and Oman. Any adverse events affecting these countries could have a significant adverse impact on our results from operations.

As per the restated standalone financial information of the Company, our revenues from exports are Rs. 459.14 Lakhs for the period ended on June 30, 2019 and Rs. 310.19 Lakhs in the FY 2018-19. Our Company exports its products to many countries namely Thailand and Oman. Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies or US Dollar, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to Environment, Health and Safety (EHS) norms, quality standards, branding or restrictions on usage of certain products/raw materials, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

12. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.

Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure that ensures smooth operations through various automated machines. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we have installed latest technology and that the chances of a technological innovation are not very high in our sector we shall continue to strive to keep our technology, plant and machinery in line with the latest technological standards. In case of a new found technology, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

- 13. There have been some instances of non-filing/ delays /incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.**

In the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified by RoC. Except as mentioned in this Prospectus, till date, there has been no penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

- 14. We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.**

We export our products to different countries and receive sale proceeds in foreign currency. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuations in the exchange rates may affect our Company to the extent of cost of goods and sales in foreign currency terms. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

- 15. Our manufacturing facilities are located at Harij and Palanpur, Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.**

Our Company has its manufacturing facilities located at Harij and Palanpur, Gujarat. Though, we get uninterrupted power supply, skilled and semi-skilled labour, basic raw materials from the suppliers as specified by our customers, our success depends on our ability to successfully utilize these manufacturing facilities to its utmost capacities and deliver our products in order to meet our customer demands in a timely manner. Our manufacturing facilities are susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, plant and machinery, power supply or processes, performance below expected levels of output or efficiency, obsolescence, terrorist attacks, acts of war, break-ins, natural disasters such as earthquakes and industrial accidents and other similar events beyond our control. Further, our manufacturing facility is also subject to operating risks arising from compliance with the directives of government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, the activities carried out at our manufacturing facilities may be potentially dangerous to our employees/labours. While we employ safety procedures in the operation of our manufacturing facilities and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at our

manufacturing facilities. An accident may result in personal injury to our employees or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/ or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost of defending such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

16. Our inability to maintain distribution network can adversely affect our Revenues.

We sell our products with the help of distribution network of various dealers, distributors. The distribution network sells our products to end users. Our inability to maintain our existing distribution network or to expand it further as per the requirement of our proposed increased capacities, can adversely affect our Revenues. In case, if we are not able to market our manufactured products, it may affect our operations and profitability adversely.

17. Any defects in our products could make our Company liable for customer claims, which in turn could affect our Company's results of operations.

Our Company is bound by the terms and conditions as stated in the purchase order placed by its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these customers for defects in the products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations and financial conditions.

18. We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. We have not yet applied trademark registration for our Corporate Logo and Corporate Name. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for our Company. There is no guarantee that the application for registration of our logo will be accepted in favour of the Company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

19. Our promoters i.e. Chanakya Prakash Mangal and Chandragupt Prakash Mangal have limited experience in the industry in which our company is operating.

Our Promoters, Chanakya Prakash Mangal aged 24 years and Chandragupt Prakash Mangal aged 21 years became Additional Directors of the Company on November 15, 2013 and January 18, 2016 respectively and associated with the company since then. Prior to this, they did not have business exposure in the industry in which our Company is operating. However, since then our Promoters have gained a good amount of experience and an understanding of market dynamics of respective industry. Although they have been successfully running the business operations, lack of vintage experience to address the risks frequently encountered by industry, may adversely affect our operations.

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

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- Public Liability Insurance Act, 1991
- National Environment Policy, 2006
- The Indian Boilers Act, 1923
- Legal Metrology Act, 2009
- Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

21. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

Quality Control Inspection is an integral part of our operations. We are required to implement quality management system in respect of all our Products. Our products depend on customer's specifications. Any failure to maintain the quality standards of our products may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

22. Our business is dependent on the adequate and uninterrupted supply of electrical power and water at a reasonable cost. Failure on account of unavailability of electrical power and water may restrict us in utilizing our full capacity and hence, may impact our business and results of operations.

Adequate and cost effective supply of electrical power is critical to our operations, which entails significant consumption of electrical power. Currently, we source power requirements by purchasing electricity from Uttar Gujarat Vij Company Limited (UGVCL) but there can be no assurance that electricity supplied by them will be sufficient to meet our requirements or that we will be able to procure adequate and interrupted power supply in the future at a reasonable cost. Further, if the per unit cost of electricity is increased by the state electricity board, our power costs will increase and it may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins. We require ample water for various manufacturing activities. We source our water requirements by procuring the same from bore well. Lack of sufficient water resources or an increase in the cost of such water used in manufacturing facilities could adversely affect our business, financial condition and results of operations.

23. We operate in a competitive business environment, both globally and domestically. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.

Both castor oil and cotton product segments are highly competitive. Increasing competition may subject us to pricing pressures and require us to reduce the prices of our products and services in order to retain or attract customers, which may have a material adverse effect on our revenues and margins. Further, many of our competitors are larger international and domestic companies and have access to greater resources or may be able to develop or acquire technology or partner with innovators or customers at terms which are not presently feasible for us, due to our current scale of operations. Any failure to keep abreast with technological advancements might place our competitors at an advantageous position in terms of cost, efficiency and timely delivery of final products. While we are focused on developing cost and time

efficiencies and to broaden our product range, in particular in certain niche segments, in the event our competitors develop better process technology or improved process yield or are able to source raw materials at competitive prices, and are therefore able to create new products or substitutes for our products at competitive prices, we may not be able to maintain our growth rate and revenues and our profitability may decline. Any of these factors may have a material adverse effect on our business and prospects.

24. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.

Our business is working capital intensive. A significant portion of our working capital is utilized towards inventories, trade receivables and trade payables. A brief summary of our working capital position based on our Restated Standalone Financials is given below:-

Amount (Rs. In lakhs)

| Particulars | For the period ended June 30, 2019 | For the year ended | | |
|---|------------------------------------|--------------------|----------------|----------------|
| | | March 31, 2019 | March 31, 2018 | March 31, 2017 |
| A. Current Asset | | | | |
| (a) Inventories | 5,418.19 | 1,477.24 | - | 2.11 |
| (b) Trade receivables | 1,030.01 | 887.07 | 175.78 | 15.33 |
| (c) Cash and cash equivalents | 5.25 | 3.50 | 9.81 | 10.69 |
| (d) Short-term loans and advances | 1,334.51 | 1,192.12 | 27.95 | 116.23 |
| B. Other Current Liabilities | | | | |
| (a) Trade payables | 216.67 | 127.31 | 126.69 | 2.11 |
| (b) Other current liabilities | 74.31 | 55.39 | 18.89 | 46.23 |
| (c) Short-term provisions | 111.95 | 149.61 | 10.15 | 3.227 |
| Working Capital (A-B) | 7,385.03 | 3,227.86 | 57.95 | 92.90 |
| Trade Receivables as % of total current assets | 13.23% | 24.92% | 82.32% | 10.62% |
| Inventories as % of total current assets | 69.57% | 41.50% | - | 1.46% |

We intend to continue growing by reaching out to new customers and also increasing sales to the existing customers and thereby reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 86 of this Prospectus.

25. Our Company has negative cash flows from its operating activities in the past 3 years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from its operating activities in the previous three years as per the Restated Standalone Financial Statements and the same are summarized as under:

Amount (Rs. In lakhs)

| Particulars | For the period ended June 30, 2019 | For the year ended | | |
|---|------------------------------------|--------------------|--------|----------|
| | | Mar-19 | Mar-18 | Mar-17 |
| Cash Flow from / (used in) Operating Activities | (3,947.37) | (2712.09) | 69.95 | (304.39) |

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

26. The industry in which we operate is labour intensive and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees.

Our industry being labour intensive is dependent on labour force for carrying out its operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

27. Our Company does not own the land on which our Registered Office, Manufacturing facilities are situated which we have taken on lease.

Our Company does not own the land on which our Registered Office at Mithakhali, Ahmedabad and Manufacturing Facilities at Harij and Palanpur at Gujarat are situated. These premises have been taken on lease from Chanakya Prakash Mangal, Hindprakash Castor Derivatives Private Limited and certain other independent third parties on lease basis. If any such agreement under which we occupy the premises is not renewed on terms and conditions that are favourable to us, or at all, we may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our Registered Office, Manufacturing facilities to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

28. Our Company is dependent on third party transportation for the procurement of raw materials and delivery of finished products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.

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

29. Our success depends in large part upon the strength of our management team and other skilled professionals. If we fail to attract, retain and manage transition of these personnel, our business may be unable to grow and our revenue could decline.

The continued efforts of the senior members of our management team and other skilled professionals are critical to our success. Our ability to execute engagements and to obtain new clients depends in large part on our ability to attract, train, motivate and retain skilled and unskilled professionals, especially senior management personnel, senior technical personnel, project managers and engineers etc. If we cannot hire and retain additional qualified personnel, our ability to obtain new projects and to continue to expand our business will be impaired and our revenue could decline. We believe that there is significant competition within our industry for professionals with the skills necessary to perform the services we offer, particularly in the locations in which we have operations. We may not be able to hire and retain enough skilled and experienced employees to replace those who leave. Increasing competition for technology professionals may also impact our ability to retain personnel. Changes in government policies may also affect our ability to attract hire and retain personnel. If we are unable to offer them higher compensation, we may be unable to attract or retain them. Our business, financial condition and results of operations could be adversely affected if we are unable to manage employee hiring and attrition to achieve a stable and efficient workforce structure.

30. Our operations may be adversely affected in case of industrial accidents at our production facility.

Usage of heavy machinery, handling of sharp parts of machinery by labour during production process or otherwise, handling process, short circuit of power supply for machines, etc. may result in accidents and fires, which could cause indirect injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

31. We may be held liable for the payment of wages to the contract labour we engage in our business.

In order to retain flexibility and ensure timely availability of a pool of skilled and non-skilled workers, our Company engages contract labour throughout our manufacturing facilities. Although our Company does not employ such contract labour directly, we may be held responsible for any wage payments to be made to such contract labour in the event of default by the third-party agencies, who employ them. If we are required to pay the wages of the independent contract labour, our results of operations and financial condition could be adversely affected. Further, we could be held liable for the acts committed by, or omission on the part of, personnel engaged by us on a contract basis.

32. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees, expand our distribution network and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

33. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

34. 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 cause serious harm to our reputation and goodwill of our Company. 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.

35. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.

As on June 30, 2019, our Company has following contingent liabilities as per restated financial statements, the details for which are as under:

Amount (Rs. in Lakhs)

| Particulars | Amount Outstanding as on June 30, 2019 |
|-----------------|--|
| Bank Guarantees | 791.39 |
| Total | 791.39 |

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled "*Financial Information*" on page 193 of this Prospectus.

36. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue price.

Our Promoters average cost of acquisition of Equity Shares in our Company could be lower than the Issue Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "*Capital Structure*" beginning on page 68 of this Prospectus.

37. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies such as Standard Fire and Special Perils Policy, Burglary Policy etc. for our manufacturing facilities and products. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further, there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled "*Our Business*" beginning on page 122 of this Prospectus.

38. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 4,469.47 Lakhs as per restated financials for year ended June 30, 2019. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the "*Financial Indebtedness*" please refer to page 213 of this Prospectus.

39. Our lenders have imposed certain restrictive conditions on us under our financing arrangements.

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 213 of the Prospectus.

Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

40. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.

Since, the Issue size is less than Rs.10,000 lakh, there is no mandatory requirement of appointing an independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

41. Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 86 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use Issue Proceeds towards financing the Working capital requirements of the Company, General Corporate Purpose and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in FY 2019-20. The deployment of the fund is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc. For further details on the use of the Issue Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 86 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘*Objects of the Issue*’ beginning on page 86 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Audit Committee will monitor the proceeds of this Issue.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide 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.

42. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.

As on date of this Prospectus, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance,

owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 86 of this Prospectus.

43. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoters and Promoter Group will collectively own 70.99% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

Based on Restated Financial Statement, our Company has unsecured loans as at June 30, 2019, amounting to Rs. 837.33 lakhs from Promoters and members of Promoter Group that are repayable on demand to the relevant lenders as per restated financial statements. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company and its subsidiary company, please refer the chapter titled “*Financial Statements as Restated*” beginning on page 193 of this Prospectus.

45. Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

46. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

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, see “*Dividend Policy*” on page 192 of this Prospectus.

47. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel (“KMP”). They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

48. In addition to normal remuneration or benefits and reimbursement of expenses, our Directors, Promoters and Key Managerial Personnel (KMPs) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Our Directors, Promoters and Key Managerial Personnel (“KMPs”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, our Directors, Promoters and KMPs may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “*Capital Structure*” and “*Our Management*” on pages 68 and 160, respectively, of this Prospectus.

49. We have taken guarantees from Promoters and members of Promoter Group in relation to debt facilities provided to us.

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “*Financial Indebtedness*” beginning on page 213 of this Prospectus.

50. We have issued Equity Shares in the last twelve months, the price of which is lower than the Issue Price.

We have issued equity shares in the last twelve months at a price which is lower than the Issue Price. Details of such issuance is given in the table below:

| Date of Allotment | No. of Equity Shares | Face Value (In Rs.) | Issue Price (In Rs.) | Nature of Allotment |
|-------------------|----------------------|---------------------|----------------------|---------------------|
| October 16, 2019 | 2,00,000 | 10 | 28 | Further Allotment |

The issue is above the Issue Price, which has been discovered through fixed price process and finalized by our Company in consultation with the Lead Manager. For further details of Equity Shares issued, please refer to chapter titled, ‘*Capital Structure*’ beginning on page 68 of this Prospectus.

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

Our Company has entered into transactions with our Promoter, Promoter Group Entities and Group Companies. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse

effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “Related Party Transactions” in Section “*Financial Statements as Restated*” beginning on page 193 of the Prospectus.

52. Industry information included in this Prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

ISSUE SPECIFIC RISKS:

53. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a fixed price process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled “*Basis for Issue Price*” beginning on page 93 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and

- Domestic and international economic, legal and regulatory factors unrelated to our performance.

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

EXTERNAL RISK FACTORS:

INDUSTRY RISKS

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

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

OTHER RISKS

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

As stated in the reports of the Auditor included in this Prospectus under chapter “*Financial Statements as restated*” beginning on page 193, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

For instance, in November 2016, the Government of India demonetized certain high-value denominations of currency. Trading and retail businesses in India were impacted for a limited period of time on account of such demonetization. Such businesses have subsequently needed to introduce additional point of sale instruments to improve their collection process.

The Government of India implemented a comprehensive national goods and services tax (“GST”) regime that combines taxes and levies by the central and state governments into a unified rate structure from July 1, 2017, which we believe will result in fundamental changes. However, given its recent introduction, there is no established practice regarding the implementation of, and compliance with, GST. The implementation of the new GST regime has increased the operational and compliance burden for Indian companies and has also led to various uncertainties. Any future increases and amendments to the GST regime may further

affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

Further, the General Anti Avoidance Rules came into effect on April 1, 2017. The effect of the application of these provisions to our business in India is at present uncertain. Furthermore, the Finance Act, 2018 instituted a number of amendments to the existing direct and indirect tax regime which includes the withdrawal of long-term capital gains exemptions on equity shares, long term capital gains applicability in the hands of Foreign Institutional Investors and applicability of dividend distribution tax for certain transactions with shareholders, among others.

59. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The GoI has traditionally exercised and continues to exercise 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. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

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

61. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

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

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

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any

other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

64. 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.

65. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

SECTION IV – INTRODUCTION

SUMMARY OF FINANCIAL STATEMENTS

| Particulars | Page No. |
|--------------------------------|-----------------|
| Summary of Restated Financials | A-1 to A-6 |

Annexure 1: Consolidated Statement of Assets and Liabilities

(Amount in Lakhs)

| Particulars | Annexure | Consolidated | Consolidated |
|-----------------------------------|----------|------------------|-----------------|
| | | 30.06.2019 | 31.03.2019 |
| Equity and liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 5 | 232.55 | 232.55 |
| Reserves and surplus | 6 | 3,302.80 | 3,200.37 |
| Minority Interest | | 211.12 | 213.63 |
| | | 3,746.47 | 3,646.55 |
| Non-current liabilities | | | |
| Long-term borrowings | 7 | 2,116.65 | 1,677.61 |
| Deferred tax liabilities (net) | 8 | 20.36 | 23.34 |
| Other long-term liabilities | 9 | 17.51 | 16.90 |
| Long-term provisions | 10 | 2.27 | 1.62 |
| | | 2,156.79 | 1,719.48 |
| Current liabilities | | | |
| Short-term borrowings | 7 | 5,266.33 | 1,071.62 |
| Trade payables | 11 | 284.41 | 156.97 |
| Other current liabilities | 12 | 559.41 | 410.64 |
| Short-term provisions | 10 | 113.55 | 153.12 |
| | | 6,223.70 | 1,792.34 |
| Total | | 12,126.96 | 7,158.37 |
| Assets | | | |
| Non-current assets | | | |
| (i) Property, plant and equipment | 13 | 2,838.02 | 2,424.48 |
| (ii) Intangible assets | 14 | 2.21 | 0.63 |
| (iii) Capital work-in-progress | 13 | 40.38 | 436.25 |
| (iv) Goodwill on Consolidation | 13A | 176.54 | 176.54 |
| Non-current investments | 15 | 364.05 | 242.45 |
| Long-term loans and advances | 16 | 473.09 | 169.67 |
| | | 3,894.29 | 3,450.02 |
| Current assets | | | |
| Trade receivables | 17 | 1,170.60 | 889.56 |
| Inventories | 18 | 5,430.03 | 1,477.24 |
| Cash and bank balances | 19 | 43.04 | 78.49 |
| Short-term loans and advances | 16 | 1,589.00 | 1,263.06 |
| | | 8,232.67 | 3,708.36 |
| Total | | 12,126.96 | 7,158.37 |

Mangalam Global Enterprise Limited

Annexure 2: Consolidated Statement of Profit and Loss

(Amount in Lakhs)

| Particulars | Annexure | Consolidated | Consolidated |
|---|-----------|------------------|------------------|
| | | 30.06.2019 | 31.03.2019 |
| Revenue | | | |
| Revenue from operations | 20 | 14,627.89 | 38,980.52 |
| Other income | 21 | 22.04 | 14.70 |
| Total revenue | | 14,649.93 | 38,995.21 |
| Expenses | | | |
| Cost of materials consumed | 22 | 13,281.35 | 18,294.58 |
| Purchase of stock-in-trade | 23 | 750.62 | 19,614.86 |
| Changes in inventories of Finished Goods or Traded Goods | | (264.76) | (865.81) |
| Employee benefits expense | 24 | 123.69 | 254.15 |
| Finance costs | 25 | 154.54 | 340.63 |
| Depreciation and amortisation expense | 13 | 35.97 | 81.92 |
| Other expenses | 26 | 436.12 | 930.85 |
| Total expenses | | 14,517.53 | 38,651.17 |
| | | | |
| | | | |
| Profit before tax | | 132.40 | 344.04 |
| | | | |
| Tax expense | | | |
| Current tax | | 35.79 | 91.55 |
| MAT Credit | | - | (9.61) |
| Deferred tax (credit)/charge | | (2.99) | 17.14 |
| | | - | |
| Profit for the period / year | | 99.60 | 244.95 |
| | | | |
| Profit Transferred to Minority Interest | | (2.51) | 17.64 |
| | | | |
| Profit /(Loss) for the period / year (after adjustment of Minority Interest) | | 102.11 | 227.31 |

Mangalam Global Enterprise Limited

Annexure 3: Consolidated Statement of Cash Flows

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|--|-----------------|-------------------|
| | 30.06.2019 | 31.03.2019 |
| A. Cash flow from operating activities | | |
| Profit before tax, as restated | 132.40 | 344.04 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 35.97 | 81.92 |
| Loss/(Gain) on Sale of Investment | - | (1.18) |
| Foreign Exchange Gain / Loss | (8.30) | (2.71) |
| Finance costs | 154.44 | 340.63 |
| Interest & Dividend Income | (13.49) | (10.42) |
| Gratuity Provision | 0.92 | 1.83 |
| Leave Encashment Provision | - | 4.23 |
| Operating profit before working capital changes | 301.94 | 758.33 |
| Changes in working capital: | | |
| (Increase) / decrease Inventories | (3,952.79) | (1,477.24) |
| (Increase) / decrease in Trade Receivables | (281.04) | (713.78) |
| (Increase) / decrease in Loans and Advances and Other Assets | (325.94) | (1,235.11) |
| Increase / (decrease) in Trade Payables | 127.45 | 30.28 |
| Increase / (decrease) in Other Liabilities | 148.77 | 391.75 |
| Increase / (decrease) in Long Term Liabilities | 0.61 | 2.70 |
| Increase / (decrease) in Short Term Provision | (39.84) | 139.38 |
| Cash generated from / (utilised in) operations | (4,021) | (2,104) |
| Less : Income tax paid | (35.79) | (81.94) |
| Net cash flow generated from/ (utilised in) operating activities (A) | (4,057) | (2,186) |
| B. Cash flow from investing activities | | |
| Purchase of property, plant and equipment (including intangible assets and Assets under WIP) | (55.23) | (2,236.16) |
| Net of Purchase/ Proceeds from Sale of Investments | (121.60) | (242.45) |
| Interest and Dividend Received | 13.49 | 10.42 |
| (Increase) / decrease in Long Term Loans and Advances | (303.42) | (155.25) |
| Income from Investment | - | 1.18 |
| Net cash flow utilised in investing activities (B) | (466.75) | (2,622.26) |
| C. Cash flow from financing activities | | |
| Proceeds from issuance of shares | - | 178.05 |
| Proceeds from Security Premium | - | 2,512.63 |
| Foreign Exchange Gain / Loss | 8.30 | 2.71 |
| Net of Repayment/Proceeds from Short Term Borrowings | 4,194.71 | 1,071.62 |
| Net of Repayment/Proceeds from Long Term Borrowings | 439.04 | 1,453.52 |
| Interest/Finance Charges Paid | (154.44) | (340.63) |
| Other Adjusment (Including Dividend & Dividend Distribution Tax) | 0.33 | (1.31) |
| Net cash flow generated from/ (utilised in) financing activities (C) | 4,487.93 | 4,876.58 |
| Net (decrease)/ increase in cash & cash equivalents (A+B+C) | (35.46) | 68.69 |
| Cash and cash equivalents at the beginning of the period/ year | 78.49 | 9.81 |
| Cash and cash equivalents at the end of the period/ year | 43.04 | 78.49 |

Annexure 1: Restated Standalone Summary Statement of Assets and Liabilities

| Particulars | Annexure | As at 30 June, 2019 | As at 31 March | | |
|-----------------------------------|----------|------------------------|-----------------|---------------|---------------|
| | | | 2019 | 2018 | 2017 |
| Equity and liabilities | | | | | |
| Shareholders' funds | | | | | |
| Share capital | 5 | 232.55 | 232.55 | 54.50 | 4.50 |
| Reserves and surplus | 6 | 3,115.67 | 3,010.29 | 480.02 | 4.12 |
| | | 3,348.22 | 3,242.84 | 534.52 | 8.62 |
| Non-current liabilities | | | | | |
| Long-term borrowings | 7 | 24.43 | 28.90 | 224.09 | 570.65 |
| Deferred tax liabilities (net) | 8 | 9.84 | 9.36 | 6.20 | 4.11 |
| Other long-term liabilities | 9 | 41.54 | 28.16 | 14.20 | 14.20 |
| Long-term provisions | 10 | 2.27 | 1.62 | - | - |
| | | 78.08 | 68.04 | 244.49 | 588.96 |
| Current liabilities | | | | | |
| Short-term borrowings | 7 | 5,266.33 | 1,071.62 | - | 49.00 |
| Trade payables | 11 | 216.66 | 127.31 | 126.69 | 2.11 |
| Other current liabilities | 12 | 74.31 | 55.39 | 18.89 | 46.23 |
| Short-term provisions | 10 | 111.95 | 149.61 | 10.16 | 3.27 |
| | | 5,669.25 | 1,403.93 | 155.74 | 100.61 |
| Total | | 9,095.55 | 4,714.81 | 934.75 | 698.19 |
| Assets | | | | | |
| Non-current assets | | | | | |
| (i) Property, plant and equipment | 13 | 708.19 | 707.35 | 706.65 | 552.38 |
| (ii) Intangible assets | 14 | 2.21 | 0.63 | 0.15 | 0.02 |
| (iii) Capital work-in-progress | 13 | 40.38 | 16.09 | - | - |
| Non-current investments | 15 | 516.85 | 395.57 | - | - |
| Long-term loans and advances | 16 | 39.96 | 35.24 | 14.41 | 1.43 |
| | | 1,307.59 | 1,154.88 | 721.21 | 553.83 |
| Current assets | | | | | |
| Trade receivables | 17 | 1,030.01 | 887.07 | 175.78 | 15.33 |
| Inventories | 18 | 5,418.19 | 1,477.24 | - | 2.11 |
| Cash and bank balances | 19 | 5.25 | 3.50 | 9.81 | 10.69 |
| Short-term loans and advances | 16 | 1,334.51 | 1,192.12 | 27.95 | 116.23 |
| | | 7,787.96 | 3,559.93 | 213.54 | 144.36 |
| Total | | 9,095.55 | 4,714.81 | 934.75 | 698.19 |

| Particulars | Annexure | 1 April 2019 to 30 June 2019 | For the year ended 31 March, | | |
|--|------------|------------------------------------|------------------------------|-----------------|---------------|
| | | | 2019 | 2018 | 2017 |
| Revenue | | | | | |
| Revenue from operations | 20 | 14,570.98 | 32,949.72 | 2,689.36 | 268.51 |
| Other income | 21 | 21.79 | 54.01 | 0.47 | 0.20 |
| Total revenue | | 14,592.77 | 33,003.73 | 2,689.83 | 268.71 |
| Expenses | | | | | |
| Cost of materials consumed | 22 | 13,215.59 | 18,294.58 | - | - |
| Purchase of stock-in-trade | 23A | 750.62 | 14,138.27 | 2,578.65 | 182.17 |
| Changes in inventories of Finished Goods, WIP and Traded Goods | 23B | (252.91) | (865.81) | 2.11 | 35.90 |
| Employee benefits expense | 24 | 123.69 | 187.00 | 18.00 | 4.22 |
| Finance costs | 25 | 105.78 | 266.70 | 1.59 | 0.01 |
| Depreciation and amortisation expense | 13 | 4.40 | 15.49 | 6.76 | 2.42 |
| Other expenses | 26 | 503.98 | 665.45 | 48.82 | 29.77 |
| Total expenses | | 14,451.14 | 32,701.67 | 2,655.94 | 254.49 |
| Profit before tax | | 141.63 | 302.06 | 33.89 | 14.22 |
| Tax expense | | | | | |
| Current tax | | 35.76 | 81.92 | 6.46 | 2.71 |
| MAT Credit | | - | - | (0.55) | (2.01) |
| Deferred tax (credit)/charge | | 0.48 | 3.16 | 2.09 | 4.11 |
| Profit for the period / year | | 105.39 | 216.98 | 25.89 | 9.41 |

Annexure 3: Restated Standalone Summary Statement of Cash Flows

(Amount in ₹ Lakhs)

| Particulars | As at | At at 31 March | | |
|---|-------------------|-------------------|-----------------|-----------------|
| | 30 June, 2019 | 2019 | 2018 | 2017 |
| A. Cash flow from operating activities | | | | |
| Profit before tax, as restated | 141.63 | 302.06 | 33.89 | 14.22 |
| Adjustments for : | | | | |
| Depreciation and amortisation expense | 4.40 | 15.49 | 6.76 | 2.42 |
| Loss/(Gain) on Sale of Investment | - | (1.18) | (0.42) | - |
| Foreign Exchange Gain / Loss | (8.30) | (2.71) | - | - |
| Finance costs | 105.78 | 266.70 | 1.59 | 0.01 |
| Interest & Dividend income | (13.49) | (49.99) | (0.05) | (0.20) |
| Gratuity Provision | 0.92 | 1.83 | - | - |
| Leave Encashment Provision | - | 4.23 | - | - |
| Operating profit before working capital changes | 230.94 | 536.42 | 41.78 | 16.44 |
| Changes in working capital: | | | | |
| (Increase) / decrease Inventories | (3,940.95) | (1,477.24) | 2.11 | 35.90 |
| (Increase) / decrease in Trade Receivables | (142.94) | (711.29) | (160.44) | (15.33) |
| (Increase) / decrease in Loans and Advances and Other Assets | (142.39) | (1,164.17) | 88.28 | (115.07) |
| Increase / (decrease) in Trade Payables | 89.35 | 0.62 | 124.58 | (281.55) |
| Increase / (decrease) in Other Liabilities | 18.92 | 36.50 | (27.34) | 45.06 |
| Increase / (decrease) in Long Term Provision | - | - | - | - |
| Increase / (decrease) in Long Term Liabilities | 13.38 | 13.96 | - | 8.00 |
| Increase / (decrease) in Short Term Provision | (37.93) | 135.03 | 6.89 | 2.86 |
| Cash generated from / (utilised in) operations | (3,911.60) | (2,630.17) | 75.86 | (303.69) |
| Less : Income tax paid | (35.76) | (81.92) | (5.91) | (0.70) |
| Net cash flow generated from/ (utilised in) operating activities (A) | (3,947.37) | (2,712.09) | 69.95 | (304.39) |
| B. Cash flow from investing activities | | | | |
| Purchase of property, plant and equipment (including intangible assets and intangible assets under development) | (31.12) | (32.76) | (161.17) | (316.23) |
| Net of Purchase/ Proceeds from Sale of Investments | (121.28) | (395.57) | - | - |
| Interest and Dividend Received | 13.49 | 49.99 | 0.05 | 0.20 |
| (Increase) / decrease in Long Term Loans and Advances | (4.73) | (20.82) | (12.98) | 3.05 |
| Income from Investment | - | 1.18 | 0.42 | - |
| | - | - | - | - |
| Net cash flow utilised in investing activities (B) | (143.63) | (397.99) | (173.68) | (312.98) |
| C. Cash flow from financing activities | | | | |
| Proceeds from issuance of shares | - | 178.05 | 50.00 | - |
| Proceeds from Security Premium | - | 2,314.60 | 450.00 | - |
| Foreign Exchange Gain / Loss | 8.30 | 2.71 | - | - |
| Net of Repayment/Proceeds from Short Term Borrowings | 4,194.71 | 1,071.62 | (49.00) | 49.00 |
| Net of Repayment/Proceeds from Long Term Borrowings | (4.47) | (195.20) | (346.56) | 570.65 |
| Interest/Finance Charges Paid | (105.78) | (266.70) | (1.59) | (0.01) |
| Dividen and Dividend Tax Paid | - | (1.31) | - | - |
| Net cash flow generated from/ (utilised in) financing activities (C) | 4,092.75 | 3,103.77 | 102.85 | 619.65 |
| Net (decrease)/ increase in cash & cash equivalents (A+B+C) | 1.76 | (6.31) | (0.89) | 2.27 |
| Cash and cash equivalents at the beginning of the period/ year | 3.50 | 9.81 | 10.69 | 8.42 |
| Cash and cash equivalents at the end of the period/ year | 5.25 | 3.50 | 9.81 | 10.69 |

THE ISSUE

The following table summarizes the Issue details:

| Particulars | Details of Equity Shares |
|--|--|
| Issue of Equity Shares by our Company | Issue of 42,30,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at price of Rs. 51/- per Equity Share aggregating Rs. 2,157.30 lakhs |
| Of which: | |
| Market Maker Reservation Portion | 2,12,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at price of Rs 51/- per Equity Share aggregating Rs. 108.12 lakhs |
| Net Issue to the Public* | 40,18,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at price of Rs. 51/- per Equity Share aggregating Rs. 2049.18 lakhs |
| | Of Which |
| | 20,10,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at price of Rs. 51/- per Equity Share aggregating Rs. 1025.10 lakhs will be available for allocation for allotment to Investors of up to Rs. 2.00 lakhs |
| | 20,08,000 Equity Shares of face value of Rs. 10 /- each fully paid up of the Company for cash at price of Rs. 51/- per Equity Share aggregating Rs. 1024.08 lakhs will be available for allocation to investors above Rs. 2.00 lakhs |
| Pre and Post Issue Equity Shares | |
| Equity Shares outstanding prior to the Issue | 1,18,27,410 Equity Shares of face value of Rs. 10/- each |
| Equity Shares outstanding after the Issue | 1,60,57,410 Equity Shares of face value of Rs. 10/- each |
| Use of Proceeds | For details, please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 86 of this Prospectus for information on use of Issue Proceeds |

* *The allocation in the net Issue to the public category shall be made as follows:*

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

Notes

- This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on September 18, 2019 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on September 23, 2019.

3. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid application received. The allocation to each Retail Individual Investor shall not be less than the minimum Application Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Also, pursuant to the SEBI ICDR Regulations in case if the Retail Individual Investors category is entitled to more than the allocated portion on proportionate basis, the Retail category shall be allotted that higher percentage.
4. Subject to valid Application being received at or above the Issue Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the LM and the Designated Stock Exchange.
5. This being fixed price issue under Chapter 253(2) of the SEBI (ICDR) Regulations, 2018. However QIB can apply under HNI category.

For further details please refer to section titled '*Issue related Information*' beginning on page 234 of this Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Hindprakash Colourchem Private Limited” as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, in order to signify the change in company’s operations, the name of our company was changed to “Mangalam Global Enterprise Private Limited” pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 and a fresh Certificate of Incorporation dated July 31, 2014 was issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on September 17, 2019 and the name of our Company was changed to “Mangalam Global Enterprise Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

For details of Business, Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled “*Our Business*” and “*Our History and Certain Other Corporate Matters*” beginning on page 122 and 152 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

MANGALAM GLOBAL ENTERPRISE LIMITED

101, Mangalam Corporate House,
19/B Kalyan Society near M.G. International School,
Mithakhali, Ahmedabad -380006, Gujarat, India

Tel: 079 26442555

Email: info@groupmangalam.com

Website: www.groupmangalam.com

CIN: U24224GJ2010PLC062434

MANUFACTURING UNITS

MANGALAM GLOBAL ENTERPRISE LIMITED

Unit: I - Cotton Unit

Survey No. 124 And 122, Harij-
Kukrana Road, Village – Jaska,
Taluka- Harij, District-Patan --
384240, Gujarat, India.

Unit: II - Castor Oil Unit

Survey No. 355/P1 And 355P1/1,
Harij-Kukrana Road, Village –
Jaska, Taluka -Harij, District-
Patan -- 384240, Gujarat, India

Unit: III - Castor Oil Unit

Survey No. 175/P3/P2, Village-
Jagana, Taluka- Palanpur, Dist:
Banaskantha-385520, Gujarat,
India.

REGISTRAR OF COMPANIES

REGISTRAR OF COMPANIES, AHMEDABAD, GUJARAT

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

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

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

Maharashtra, India

Website: www.nseindia.com

BOARD OF DIRECTORS OF OUR COMPANY

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

| Sr. No. | Name | Age (In Years) | DIN | Address | Designation |
|---------|----------------------------|----------------|----------|---|-------------------------------|
| 1. | Vipin Prakash Mangal | 51 | 02825511 | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad - 380006 Gujarat, India | Chairman & Executive Director |
| 2. | Chanakya Prakash Mangal | 24 | 06714256 | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad - 380006 Gujarat, India | Joint Managing Director & COO |
| 3. | Chandragupt Prakash Mangal | 21 | 07408422 | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad - 380006 Gujarat, India | Joint Managing Director & CEO |
| 4. | Manish Bagadia | 52 | 02009864 | 32/A Jupiter Tower, Bh. Grand Bhagwati Hotel, Bodakdev, Ahmedabad 380054 Gujarat, India | Independent Director |
| 5. | Praveen Gupta | 51 | 00415491 | 5, Agarwal Colony, Street/Road/Lane Civil Lines, Near City Palace, Village/ Town/ City: Ajmer, P.O. Ajmer, Rajasthan 305001 Gujarat India | Independent Director |
| 6. | Sarika Modi | 40 | 08320453 | E-72, Galaxy Tower, Near Hotel Grand Bhagwati, Bodakdev, Ahmedabad 380054, Gujarat, India | Non-Executive Director |

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 160 of this Prospectus.

CHIEF FINANCIAL OFFICER

ASHUTOSH MEHTA

MANGALAM GLOBAL ENTERPRISE LIMITED

101, Mangalam Corporate House,

19/B Kalyan Society near M.G. International School,

Mithakhali, Ahmedabad -380006, Gujarat, India

Tel: 079 26442555

Email: cfo@groupmangalam.com

COMPANY SECRETARY & COMPLIANCE OFFICER

RUTU SHAH

MANGALAM GLOBAL ENTERPRISE LIMITED

101, Mangalam Corporate House,

19/B Kalyan Society near M.G. International School,

Mithakhali, Ahmedabad -380006, Gujarat, India

Tel: 079 26442555

Email: cs@groupmangalam.com

Investors can contact the Company Secretary and Compliance Officer, the Lead Manager 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode. For all the issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager or the Registrar in the following manner:

All issue related grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Applicant and ASBA Account number (for Applicants other than RIBs Applying through the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or UPI ID in case of RIBs applying through the UPI Mechanism

All issue related grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the Self Certified Syndicate Banks if the Application was submitted to a SCSBs at any of the Specified Locations, or the Registered Broker if the Application was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Applicant, Application Form number, address of the Applicant, Applicant's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Application Form, name and address of the SCSBs or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Application was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Application Amount was blocked.

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

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

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/ SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

STATUTORY AUDITOR OF OUR COMPANY

KEYUR SHAH & CO. Chartered Accountants

303, Shitiratna, B/s. Radisson Blue Hotel, Nr. Panchvati Circle,
Ambawadi, Ahmedabad – 380006, Gujarat, India

Tel: 079 48999595

Email: ca.keyurshah2015@gmail.com

Website: www.keyurshahca.com

Contact Person: Mr. Keyur Shah

Firm Registration No: 141173W

Membership No: 153774

Peer Review Number: 011267

M/s. Keyur Shah & Co., Chartered Accountants holds a peer review certificate dated July 30, 2018 issued by the Institute of Chartered Accountants of India.

LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises, Behind Family Court,

Bandra Kurla Complex, Bandra (East)

Mumbai 400051, Maharashtra, India

Tel: +91 22 6194 6700

Fax: + 91 22 2659 8690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Unmesh Zagade

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED

C-101, 1st Floor, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai - 400083, Maharashtra, India.

Tel: +91 22 49186200

Fax: +91 22 49186195

Email: mangalam.ipo@linkintime.co.in

Website: www.linkintime.co.in

Investor Grievance E-mail: mangalam.ipo@linkintime.co.in

Contact Person: Ms. Shanti Gopalkrishnan

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

LEGAL ADVISOR TO THE ISSUE

M V KINI, LAW FIRM

Kini House 261/263, Near Citi Bank,

D.N. Road, Fort, Mumbai - 400001,

Maharashtra, India

Tel: +91 22 66664298/99

Fax: +91 22 22612530

E-mail: vidisha@mvkini.com

Contact Person: Vidisha Krishan

Website: www.mvkini.com

BANKER TO THE COMPANY

HDFC BANK LIMITED

Shilp II, Next to Vikram Chambers,

Ashram Road, Ahmedabad- 380009

Tel: 079- 27542779

E-mail: vikas.kalaria@hdfcbank.com

Contact Person: Vikas Kalaria

Website: www.hdfcbank.com

PUBLIC ISSUE BANK/ BANKER TO THE ISSUE AND REFUND BANKER

HDFC BANK LTD

FIG - OPS Department, HDFC Bank Ltd,
Lodha - I Think Techno Campus,O-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai – 400042

Tel: 022-30752914/2928/2929

Email: vincent.dsouza@hdfcbank.com, siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com,
neerav.desai@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Vincent Dsouza / Siddharth Jadhav / Prasanna Uchil / Neerav Desai

SEBI Registration No.: INBI00000063

SPONSOR BANK

HDFC BANK LTD

FIG - OPS Department, HDFC Bank Ltd,
Lodha - I Think Techno Campus,O-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai – 400042

Tel: 022-30752914/2928/2929

Email: vincent.dsouza@hdfcbank.com, siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com,
neerav.desai@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Vincent Dsouza / Siddharth Jadhav / Prasanna Uchil / Neerav Desai

SEBI Registration No.: INBI00000063

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

A list of the Designated SCSB Branches with which an ASBA Applicants (other than an RII using the UPI Mechanism), not Applying through a Registered Broker, may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Applicants (other than RIIs) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Investors Banks or Issuer Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above mentioned SEBI link.

Registered Brokers

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registrar to Issue and Share Transfer Agents

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

CREDIT RATING

This being an issue 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.

APPRAISAL AGENCY & MONITORING AGENCY

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size, is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. 2157.30 lakhs, our Company has not appointed any 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. Further, our Company has not appointed any appraisal agency for this Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manager is not applicable.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated Standalone and Consolidated financials for the period ended June 30, 2019 and for the financial years ended March 31, 2019, 2018 and 2017 as included in this Prospectus, our Company has not obtained any expert opinion.

DEBENTURE TRUSTEE

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

FILING OF OFFER DOCUMENT

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Prospectus shall also be furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

| Event | Indicative Date |
|---|--------------------------------|
| Issue Opening Date | November 15, 2019 |
| Issue Closing Date | November 20, 2019 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | November 25, 2019 |
| Unblocking of funds from ASBA Accounts | On or before November 26, 2019 |
| Credit of Equity Shares to demat accounts of Allottees | On or before November 27, 2019 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before November 28, 2019 |

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Application and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicant after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

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

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

UNDERWRITER

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated October 17, 2019 and pursuant to the terms of the underwriting agreement; obligations of the underwriter is subject to certain conditions specified therein. The underwriter have indicated their intention to underwrite following number of specified securities being offered through this Issue.

| Name and Address of the Underwriter | Indicative Number of Equity Shares to be Underwritten* | Amount Underwritten (Rupees in Lakhs) | % of the Total Issue size Underwritten |
|---|--|---------------------------------------|--|
| PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshava Premises Co-Op Soc. Ltd., Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai 400051 | 42,30,000 | 2157.30 | 100% |

| Name and Address of the Underwriter | Indicative Number of Equity Shares to be Underwritten* | Amount Underwritten (Rupees in Lakhs) | % of the Total Issue size Underwritten |
|--|--|---------------------------------------|--|
| Tel: +91 22 61946700 Fax: + 91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Unmesh Zagade SEBI Registration Number: INM000012110 | | | |
| Total | 42,30,000 | 2157.30 | 100% |

*Includes 2,12,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Except as mentioned below there has been no change in the Auditors in last three financial years preceding the date of this Prospectus.

| Sr. No. | Name of Auditors | Date of change | Reason |
|---------|---|--------------------|--|
| 1. | Kedia & Kedia Associates 205, Kaling, 2 nd Floor, Near Mount Carmel School, Off Ashram Road, Navrangpura, Ahmedabad – 380009, Gujarat, India Tel: 079 26589941 Email: kediac@kediac.com Website: www.keyurshahca.com Contact Person: Mr. Subodh Kedia Firm Registration No: 104954W Membership No: 043381 Peer Review Number: 008942 | September 11, 2019 | Completion of the term as statutory auditors of our Company in compliance with Section 139(2) of the Companies Act, 2013 |
| 2. | Keyur Shah & Co. 303, Shitiratna, B/s. Radisson Blue Hotel, Nr. Panchvati Circle, Ambawadi, Ahmedabad – 380006, Gujarat, India Tel: 079 48999595 Email: ca.keyurshah2015@gmail.com Website: www.keyurshahca.com Contact Person: Mr. Keyur Shah Firm Registration No: 141173W Membership No: 153774 Peer Review Number: 011267 | September 11, 2019 | Appointment as Statutory Auditors of our Company |

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into an agreement dated October 17, 2019, with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making.

PANTOMATH STOCK BROKERS PRIVATE LIMITED

108, Madhava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400051,
Maharashtra, India

Tel: +91 22 42577000

Fax: +91 22 2659 8690

Email: broking@pantomathgroup.com

Website: www.pantomathbroking.com

Contact Person: Mahavir Toshniwal

SEBI Registration Number: INZ000068338

Pantomath Stock brokers Private Limited, registered with EMERGE platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of National Stock Exchange of India Limited and SEBI from time to time.
3. 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 Issue their holding to the Market Maker (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 51/- the minimum lot size is 2,000 Equity Shares thus minimum depth of the quote shall be Rs. 1.02 lakhs until the same, would be revised by National Stock Exchange of India Limited.
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 the 2,12,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited 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 Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, **Pantomath Stock Brokers Private Limited** is acting as the sole Market Maker.

8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity share on the Stock Exchange.
9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.
10. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer 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 Offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

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

11. 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.
12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
 In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
13. EMERGE platform of National Stock Exchange of India Limited 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. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
14. National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market

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

15. 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.
16. 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) |
|------------------------------|--|---|
| Up to Rs. 20 Crore | 25% | 24% |
| Rs. 20 crore to Rs. 50 crore | 20% | 19% |
| Rs. 50 to Rs. 80 crore | 15% | 14% |
| Above Rs. 80 crore | 12% | 11% |

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

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

CAPITAL STRUCTURE

Our Equity Share capital, as on the date of this Prospectus and after giving effect to the Issue is set forth below:

Amount (Rs. in lakhs, except share data)

| Particulars | | Aggregate Nominal Value | Aggregate Value at Issue Price |
|-------------|---|----------------------------|--------------------------------------|
| A. | Authorised Share Capital | | |
| | 1,70,00,000 Equity Shares of Rs. 10/- each. | 1,700.00 | - |
| B. | Issued, Subscribed And Paid-Up Share Capital Before The Issue | | |
| | 1,18,27,410 Equity Shares of Rs. 10/- each | 1,182.74 | - |
| C. | Present Issue In Terms Of This Prospectus | | |
| | Issue of 42,30,000 Equity Shares of Rs. 10/- each at a price of Rs. 51/- per Equity Share | 423.00 | 2,157.30 |
| | <i>Consisting:</i> | | |
| | Reservation for Market Maker – 2,12,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker Portion at a price of Rs. 51/- per Equity Share | 21.20 | 108.12 |
| | Net Issue to Public – 40,18,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 51/- per Equity Share | 401.80 | 2,049.18 |
| | <i>Of the Net Issue to the Public</i> | | |
| | Allocation to Retail Individual Investors of 20,10,000 Equity Shares | 201.00 | 1,025.10 |
| | Allocation to other than Retails Individual Investors of 20,08,000 Equity Shares | 200.80 | 1,024.08 |
| D. | Issued, Subscribed And Paid-Up Share Capital After The Issue | | |
| | Equity Shares of Rs. 10/- each | | 1,605.74 |
| E. | Securities Premium Account | | |
| | Before the Issue | | 1,870.41 |
| | After the Issue | | 3,604.71 |

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 18, 2019 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-ordinary General Meeting held on September 23, 2019.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up.

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

Notes to Capital Structure

1. Details of change in authorised share capital since incorporation

Since the incorporation of our company, the authorised share capital of our company has been altered in the manner set forth below: -

| Particulars of change | | Date of shareholder's Meeting | AGM/EGM |
|---|---|-------------------------------|---------|
| Increased / Reclassified from | Increased / Reclassified to | | |
| The authorized share capital of our Company on incorporation comprised of Rs. 5,00,000 divided into 50,000 Equity Shares of Rs. 10 each | | On Incorporation | - |
| Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs.10 each | Rs. 55,00,000 consisting of 5,50,000 Equity Shares of Rs. 100 each | March 20, 2018 | EGM |
| Rs. 55,00,000 consisting of 5,50,000 Equity Shares of Rs. 100 each | Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs. 10 each | March 12, 2019 | EGM |
| Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs. 10 each | Rs. 17,00,00,000 consisting of 1,70,00,000 Equity Shares of Rs. 10 each | September 03, 2019 | EGM |

2. History of Equity Share Capital of our Company

| Date of allotment /fully paid up | No. of Equity Shares allotted | Face value (Rs.) | Issue price (Rs.) | Nature of consideration | Nature of allotment | Cumulative no. of Equity Shares | Cumulative Paid-up capital(Rs.) |
|----------------------------------|-------------------------------|------------------|-------------------|-------------------------|--|---------------------------------|---------------------------------|
| On Incorporation | 10,000 | 10 | 10 | Cash | Subscription to the MOA ⁽¹⁾ | 10,000 | 1,00,000 |
| January 18, 2011 | 35,020 | 10 | 10 | Cash | Further Allotment ⁽²⁾ | 45,020 | 4,50,200 |
| March 31, 2018 | 5,00,000 | 10 | 100 | Other than Cash | Right Issue ⁽³⁾ | 5,45,020 | 54,50,200 |
| March 31, 2019 | 17,80,462 | 10 | 140 | Other than Cash | Right Issue ⁽⁴⁾ | 23,25,482 | 23,254,820 |
| September 03, 2019 | 93,01,928 | 10 | Nil | Other than cash | Bonus Issue ⁽⁵⁾ | 1,16,27,410 | 11,62,74,100 |
| October 16, 2019 | 2,00,000 | 10 | 28 | Cash | Further Allotment ⁽⁶⁾ | 1,18,27,410 | 1,18,27,41,00 |

(1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10 each fully paid at par as per the details given below:

| S. No. | Name of Subscribers | No. of Shares Subscribed |
|--------|---------------------|--------------------------|
| 1. | Abhinav Agrawal | 5,000 |
| 2. | Rashmi Mangal | 5,000 |
| | Total | 10,000 |

(2) Further allotment of 35,020 Equity Shares of face value of Rs. 10 each fully paid up at par on January 18, 2011, as per the details given below:

| S. No. | Name of Allottee | No. of Shares Allotted |
|--------|--------------------------------------|------------------------|
| 1. | Anilkumar Agrawal | 5,000 |
| 2. | Dimple Mangal | 5,000 |
| 3. | Hemlata Mangal | 5,000 |
| 4. | Manju Agrawal | 5,000 |
| 5. | Rachna Agrawal | 5,000 |
| 6. | Sajjankumar Agrawal | 5,000 |
| 7. | Sonali Agrawal | 5,000 |
| 8. | Shrishank Securities Private Limited | 10 |
| 9. | Suman Finstocks Private Limited | 10 |
| | Total | 35,020 |

(3) Right Issue* of 5,00,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 90 per Equity Share on March 31, 2018 as per the details given below:

| S. No | Name of Allottee | No. of Shares Allotted |
|-------|----------------------------|------------------------|
| 1. | Chanakya Prakash Mangal | 1,55,000 |
| 2. | Chandragupt Prakash Mangal | 1,55,000 |
| 3. | Hemlata Mangal | 4,000 |
| 4. | Rashmi Mangal | 1,55,000 |
| 5. | Vipin Prakash Mangal | 31,000 |
| | Total | 5,00,000 |

* All the existing shareholders have been allotted shares pursuant to conversion of their unsecured loan outstanding with the company on the date of allotment.

(4) Right Issue of 17,80,462 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 130 per Equity Share on March 31, 2019 as per the details given below:

| S. No | Name of Allottee | No. of Shares Allotted |
|-------|-----------------------------------|------------------------|
| 1. | Vipin Prakash Mangal* | 96,588 |
| 2. | Chanakya Prakash Mangal* | 2,51,023 |
| 3. | Chandragupt Prakash Mangal* | 2,75,976 |
| 4. | Rashmi Mangal* | 72,578 |
| 5. | Om Prakash Mangal* | 2,85,714 |
| 6. | Manglam Woldwide Private Limited* | 3,50,000 |
| 7. | Zaddoc Nutritions Private Limited | 4,02,871 |
| 8. | Anilkumar Rajgor | 5,714 |
| 9. | Induben Rajgor | 5,714 |
| 10. | Jagrutiben Rajgor | 5,714 |
| 11. | Kiranben Rajgor | 5,714 |

| S. No | Name of Allottee | No. of Shares Allotted |
|-------|----------------------|------------------------|
| 12. | Mahesh kumar Rajgor | 5,714 |
| 13. | Paresh kumar Rajgor | 5,714 |
| 14. | Vasant kumar Rajgor* | 5,714 |
| 15. | Zenishaben Rajgor | 5,714 |
| | Total | 17,80,462 |

* Existing shareholders have been allotted shares pursuant to conversion of their unsecured loan outstanding with the company on the date of allotment. Further, their remaining entitlement has been renounced in favour of new shareholders who has infused fresh funds.

(5) Bonus Issue of 93,01,928 Equity Shares of face value of Rs. 10 each fully paid in the ratio of 4:1 i.e. four equity share for every one equity share held, allotted on September 03, 2019, as per the details given below:

| S. No | Name of Allottee | No. of Shares Allotted |
|-------|-----------------------------------|------------------------|
| 1. | Rashmi Mangal | 7,25,512 |
| 2. | Hemlata Mangal | 55,236 |
| 3. | Vipin Prakash Mangal | 7,65,552 |
| 4. | Chanakya Prakash Mangal | 16,59,280 |
| 5. | Chandragupta Prakash Mangal | 17,59,100 |
| 6. | Om Prakash Mangal | 11,42,860 |
| 7. | Manglam Woldwide Private Limited | 14,00,004 |
| 8. | Zaddoc Nutritions Private Limited | 16,11,488 |
| 9. | Anilkumar Rajgor | 22,860 |
| 10. | Induben Rajgor | 22,860 |
| 11. | Jagrutiben Rajgor | 22,860 |
| 12. | Kiranben Rajgor | 22,860 |
| 13. | Mahesh Kumar Rajgor | 22,860 |
| 14. | Paresh Kumar Rajgor | 22,860 |
| 15. | Vasant Kumar Rajgor | 22,860 |
| 16. | Zenishaben Anilkumar Rajgor | 22,860 |
| 17. | Anil Dharamdarshi | 4 |
| 18. | Eureka International | 4 |
| 19. | Kanchanben Jesalpura | 4 |
| 20. | Rekha Sheladia | 4 |
| | Total | 93,01,928 |

(6) Preferential Allotment of 2,00,000 equity shares of Rs. 10 each fully paid at a premium of Rs. 18 per equity share on October 16, 2019 as per the details given below:

| S. No | Name of Allottee | No. of Shares Allotted |
|-------|------------------|------------------------|
| 1. | Romal Bafna | 10,000 |

| S. No | Name of Allottee | No. of Shares Allotted |
|-------|----------------------------|------------------------|
| 2. | Chandrark Kothadia | 10,000 |
| 3. | Rahul Mehta | 10,000 |
| 4. | Vasant Mehta | 10,000 |
| 5. | Saritadevi Tibrewala | 8,000 |
| 6. | Radhakrishan Kunhaboo Nair | 2,000 |
| 7. | Rajesh Teli | 2,000 |
| 8. | Krunal Kadiya | 2,000 |
| 9. | Vaishaliben Patel | 2,000 |
| 10. | Fulchandrabhai Parekh | 2,000 |
| 11. | Ashish Jethaliya | 2,000 |
| 12. | Virendra Parmar | 2,000 |
| 13. | Pradip Kuril | 2,000 |
| 14. | Darney Pullarkot | 2,000 |
| 15. | Thamban Nanu Ezhava | 2,000 |
| 16. | Manas Kiran Shah | 2,000 |
| 17. | Vikas Singh Panwar | 2,000 |
| 18. | Bipendra Singh Shekhawat | 2,000 |
| 19. | Shekhavat Shaitan Singh | 2,000 |
| 20. | Jatin Mahesh Viyala | 2,000 |
| 21. | Kunal Shah | 2,000 |
| 22. | Rutu Shah | 2,000 |
| 23. | Maulik Vekariya | 500 |
| 24. | Rajguru Ekta Hasmukhbhai | 500 |
| 25. | Kailashchandra Agrawal | 8,000 |
| 26. | Sachin Rajendra Modi | 55,500 |
| 27. | Shashi Modi | 53,500 |
| | Total | 2,00,000 |

3. We have not issued any Equity Shares for consideration other than cash except as mentioned below:

| Date of Allotment / Fully Paid - up | No. of Equity Shares allotted | Face Value (in Rs.) | Issue Price (in Rs.) | Reasons for allotment | Benefits accrued to our Company |
|-------------------------------------|-------------------------------|---------------------|----------------------|-----------------------|---------------------------------|
| March 31, 2018* | 5,00,000 | 10 | 100 | Right Issue | Conversion of Unsecured Loan |
| March 31, 2019** | 13,37,593 | 10 | 140 | Right Issue | Conversion of Unsecured Loan |
| September 03, 2019*** | 93,01,928 | 10 | Nil | Bonus Issue | Capitalization of reserves |

*. *For list of allottees, see note 3 of paragraph titled “History of Equity Share Capital of our Company” mentioned above.*

*** For list of allottees, see note 4 of paragraph titled “History of Equity Share Capital of our Company” mentioned above*

**** For list of allottees, see note 5 of paragraph titled “History of Equity Share Capital of our Company” mentioned above*

4. As on date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
5. Our company has not issued any shares pursuant to an Employee Stock Option Scheme.
6. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

7. We have not issued any shares at price below than issue price within last one year from the date of this Prospectus except as given below:

| Date of Allotment | No. of Equity Shares allotted | Face Value (in Rs.) | Issue Price (in Rs.) | Nature of Consideration | Reasons for allotment | Name of Allottee | Number of Shares | Whether Forming part of Promoter Group |
|--------------------------|-------------------------------|---------------------|----------------------|-------------------------|------------------------|----------------------------|------------------|--|
| October 16, 2019 | 2,00,000 | 10 | 28 | Cash | Preferential Allotment | Romal Bafna | 10,000 | No |
| | | | | | | Chandrark Kothadia | 10,000 | No |
| | | | | | | Rahul Mehta | 10,000 | No |
| | | | | | | Vasant Mehta | 10,000 | No |
| | | | | | | Saritadevi Tibrewala | 8,000 | No |
| | | | | | | Radhakrishan Kunhaboo Nair | 2,000 | No |
| | | | | | | Rajesh Teli | 2,000 | No |
| | | | | | | Krunal Kadiya | 2,000 | No |
| | | | | | | Vaishaliben Patel | 2,000 | No |
| | | | | | | Fulchandrabhai Parekh | 2,000 | No |
| | | | | | | Ashish Jethaliya | 2,000 | No |
| | | | | | | Virendra Parmar | 2,000 | No |
| | | | | | | Pradip Kuril | 2,000 | No |
| | | | | | | Darney Pullarkot | 2,000 | No |
| | | | | | | Thamban Nanu Ezhava | 2,000 | No |
| | | | | | | Manas Kiran Shah | 2,000 | No |
| | | | | | | Vikas Singh Panwar | 2,000 | No |
| | | | | | | Bipendrasingh Shekhawat | 2,000 | No |
| | | | | | | Shekhavat Shaitan Singh | 2,000 | No |
| | | | | | | Jatin Mahesh Viyala | 2,000 | No |
| | | | | | | Kunal Shah | 2,000 | No |
| | | | | | | Rutu Shah | 2,000 | No |
| Maulik Vekariya | 500 | No | | | | | | |
| Rajguru Ekta Hasmukhbhai | 500 | No | | | | | | |
| Kailashchandra Agrawal | 8,000 | No | | | | | | |
| Sachin Modi | 55,500 | No | | | | | | |
| Shashi Modi | 53,500 | No | | | | | | |
| Total | | | | | | | 2,00,000 | |

8. As on the date of this Prospectus, our Company does not have any preference Share Capital.

9. Build-up of Promoters' shareholding, Promoter's contribution and lock-in

i. Build - up of Promoters' shareholdings:

As on the date of this Prospectus, our Promoters Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal together hold 52,29,915 Equity Shares, constituting 44.22% of the issued, subscribed and paid-up Share capital of our Company.

1) Vipin Prakash Mangal

| Date of Allotment/ Transfer/ when made fully paid up | No. of Equity Shares | Face value per share (Rs.) | Issue/ Acquisition/ Transfer price (Rs.)* | Nature of transaction | % Pre-Issue shareholding | % Post-Issue shareholding | Pledge |
|---|-------------------------------------|---|--|--|-------------------------------------|--------------------------------------|---------------|
| June 15, 2012 | 4,400 | 10 | 10 | Transfer from Abhinav Agrawal | 0.04% | 0.03% | No |
| October 24, 2013 | 4,400 | 10 | 10 | Transfer from Vedant Sanjay Prakash Mangal | 0.04% | 0.03% | No |
| October 24, 2013 | 4,400 | 10 | 10 | Transfer from Sanjay Prakash Mangal | 0.04% | 0.03% | No |
| October 24, 2013 | (4,400) | 10 | 10 | Transfer to Chanakya Prakash Mangal | (0.04%) | (0.03%) | No |
| March 31, 2018 | 31,000 | 10 | 100 | Rights Issue | 0.26% | 0.19% | No |
| October 22, 2018 | 55,000 | 10 | 100 | Transfer from Rashmi Mangal | 0.47% | 0.34% | No |
| March 31, 2019 | 96,588 | 10 | 140 | Rights Issue | 0.82% | 0.60% | No |
| September 03, 2019 | 7,65,552 | 10 | Nil | Bonus Issue | 6.47% | 4.77% | No |
| Total | 9,56,940 | | | | 8.09% | 5.96% | |

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

2) Chanakya Prakash Mangal

| Date of Allotment/ Transfer/ when made fully paid up | No. of Equity Shares | Face value per share (Rs.) | Issue/ Acquisition/ Transfer price (Rs.)* | Nature of transaction | % Pre-Issue shareholding | % Post-Issue shareholding | Pledge |
|--|----------------------------|-------------------------------------|---|--|-----------------------------|------------------------------|--------|
| June 15, 2012 | 4,400 | 10 | 10 | Transfer from Rachna Agrawal | 0.04% | 0.03% | No |
| October 24, 2013 | 4,400 | 10 | 10 | Transfer from Vipin Prakash Mangal | 0.04% | 0.03% | No |
| March 31, 2018 | 1,55,000 | 10 | 100 | Rights Issue | 1.31% | 0.97% | No |
| March 31, 2019 | 2,51,023 | 10 | 140 | Rights Issue | 2.12% | 1.56% | No |
| May 04, 2019 | (3) | 10 | (140) | Transfer to Anil Dharramdarshi, Kanchanben Jesalpura and Rekha Sheladia (1 share to each) | Negligible | Negligible | No |
| September 03, 2019 | 16,59,280 | 10 | Nil | Bonus Issue | 14.03% | 10.33% | No |
| Total | 20,74,100 | | | | 17.54% | 12.92% | |

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.

3) Chandragupt Prakash Mangal

| Date of Allotment/ Transfer/ when made fully paid up | No. of Equity Shares | Face value per share (Rs.) | Issue/ Acquisition/ Transfer price (Rs.)* | Nature of transaction | % Pre-Issue shareholding | % Post-Issue shareholding | Pledge |
|--|----------------------------|-------------------------------------|---|-----------------------------------|-----------------------------|------------------------------|--------|
| June 15, 2012 | 4,400 | 10 | 10 | Transfer from Sajjankumar Agrawal | 0.04% | 0.03% | No |
| October 24, 2013 | 4,400 | 10 | 10 | Transfer from Omprakash Mangal | 0.04% | 0.03% | No |
| March 31, 2018 | 1,55,000 | 10 | 100 | Rights Issue | 1.31% | 0.97% | No |
| March 31, 2019 | 2,75,976 | 10 | 140 | Rights Issue | 2.33% | 1.72% | No |
| May 04, 2019 | (1) | 10 | (140) | Transfer to Sridevi Yatin Shah | Negligible | Negligible | No |

| Date of Allotment/ Transfer/ when made fully paid up | No. of Equity Shares | Face value per share (Rs.) | Issue/ Acquisition/ Transfer price (Rs.)* | Nature of transaction | % Pre-Issue shareholding | % Post-Issue shareholding | Pledge |
|---|-------------------------------------|---|--|------------------------------|-------------------------------------|--------------------------------------|---------------|
| September 03, 2019 | 17,59,100 | 10 | Nil | Bonus Issue | 14.87% | 10.96% | No |
| Total | 21,98,875 | | | | 18.59% | 13.69% | |

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.*

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

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as Promoter's 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 the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20% of the post Issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue. The Equity Shares which are being locked in for 3 (three) years from the date of Allotment are as follows:

| Date of Allotment/ transfer/ made fully paid up | No. of Equity shares locked-in* | Face Value | Issue Price | Nature of Allotment | % of Post Issue shareholding | Lock in Period |
|--|--|-------------------|--------------------|----------------------------|-------------------------------------|-----------------------|
| Vipin Prakash Mangal | | | | | | |
| September 03, 2019 | 7,65,552 | 10 | Nil | Bonus | 4.77% | 3 Year |
| Chanakya Prakash Mangal | | | | | | |
| September 03, 2019 | 12,22,974 | 10 | Nil | Bonus | 7.62% | 3 Years |
| Chandragupt Prakash Mangal | | | | | | |
| September 03, 2019 | 12,22,974 | 10 | Nil | Bonus | 7.62% | 3 Years |
| Total | 32,11,500 | 10 | Nil | Bonus | 20.00% | 3 Years |

The Minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' Contribution in terms of Regulation 237 of the SEBI ICDR Regulations. In connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the Issue price.

- d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoters are in dematerialized form; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii) *Details of Share Capital locked in for one year*

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv) *Other requirements in respect of lock-in:*

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 242(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

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

Further, pursuant to Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the equity shares which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, along with the equity shares proposed to be transferred, provided that lock-in on such equity shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended and in compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 20.00 % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

10. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months

| Date of Allotment/transfer | Name of Allottee/Transferee | Party Category | Number of Shares Allotted/Transferred | Face Value | Issue Price/Transfer Price | Reason of Allotment/Transfer |
|----------------------------|-----------------------------------|----------------|---------------------------------------|------------|----------------------------|------------------------------|
| May 04, 2019 | Chanakya Prakash Mangal | Promoter | (3) | 10 | 140 | Transfer |
| May 04, 2019 | Chandragupta Prakash Mangal | Promoter | (1) | 10 | 140 | Transfer |
| September 03, 2019 | Rashmi Mangal | Promoter Group | 7,25,512 | 10 | NA | Bonus Issue |
| September 03, 2019 | Hemlata Mangal | Promoter Group | 55,236 | | | |
| September 03, 2019 | Vipin Prakash Mangal | Promoter | 7,65,552 | | | |
| September 03, 2019 | Chanakya Prakash Mangal | Promoter | 16,59,280 | | | |
| September 03, 2019 | Chandragupta Prakash Mangal | Promoter | 17,59,100 | | | |
| September 03, 2019 | Om Prakash Mangal | Promoter Group | 11,42,860 | | | |
| September 03, 2019 | Manglam Woldwide Private Limited | Promoter Group | 14,00,004 | | | |
| September 03, 2019 | Zaddoc Nutritions Private Limited | Promoter Group | 16,11,488 | | | |

11. Our Shareholding Pattern:

The table below represents the shareholding pattern of our Company:-

Summary of shareholding pattern as on the date of this Prospectus:

| Category | Category of shareholder | Number 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 no. of shares held | Shareholding as % of total no. of shares (calculated as per SCRR, 1957) | Number of Voting Rights held in each class of securities | | | | No. of Shares Underlying Outstanding convertible securities | 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 dematerialised form |
|----------|-------------------------------|------------------------|---|--|--|--------------------------|---|--|----------------|--------------------|-------------------------|---|--|----------------------------|---------------------------------|--|--------------------------------|---|
| | | | | | | | | Class Equity X | Class Others Y | Total | Total as a % of (A+B+C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Shares held(b) | |
| (I) | (II) | (III) | (IV) | (V) | (VI) | (VII) = (IV)+(V) + (VI) | (VIII) As a % of (A+B+C2) | (IX) | | | | (X) | (XI) = (VII)+(X) As a % of (A+B+C2) | (XII) | | (XIII) | | (XIV) |
| A | Promoter & Promoter Group | 8 | 1,13,98,790 | - | - | 1,13,98,790 | 96.38 | 1,13,98,790 | - | 1,13,98,790 | 96.38 | - | - | - | - | - | - | 1,13,98,790 |
| B | Public | 36 | 4,28,620 | - | - | 4,28,620 | 3.62 | 4,28,620 | - | 4,28,620 | 3.62 | - | - | - | - | - | - | 4,28,620 |
| C | Non-Promoter Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C1 | Shares Underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C2 | Shares Held By Employee Trust | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 44 | 1,18,27,410 | - | - | 1,18,27,410 | 100 | 1,18,27,410 | - | 1,18,27,410 | 100 | - | - | - | - | - | - | 1,18,27,410 |

*As on the date of this Prospectus 1 Equity Shares holds 1 vote.

**All Equity Shares of our Company outstanding prior to the issue will be locked in as mentioned above prior to Listing of Shares on NSE EMERGE.

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Shares.

***In terms of SEBI Listing Regulations, our Company ensured that the Equity Shares held by the Promoters / members of the Promoter Group are dematerialised. Following are the details of the holding of securities of persons belonging to category “Promoter and Promoter Group”.

The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoters and Promoter Group are as under:

| S. No. | Name of Shareholder | Pre-Issue | | Post-Issue | |
|-----------------------|----------------------------|----------------------|------------------------|----------------------|---------------------------|
| | | No. of Equity Shares | % of Pre-Issue Capital | No. of Equity Shares | % of Post - Issue Capital |
| (I) | (II) | (III) | (IV) | (V) | (VI) |
| Promoters | | | | | |
| 1. | Vipin Prakash Mangal | 9,56,940 | 8.09% | 9,56,940 | 5.96% |
| 2. | Chanakya Prakash Mangal | 20,74,100 | 17.54% | 20,74,100 | 12.92% |
| 3. | Chandragupt Prakash Mangal | 21,98,875 | 18.59% | 21,98,875 | 13.69% |
| | Sub-Total (A) | 52,29,915 | 44.22% | 52,29,915 | 32.57% |
| Promoter-Group | | | | | |
| 4. | Rashmi Mangal | 9,06,890 | 7.67% | 9,06,890 | 5.65% |
| 5. | Hemlata Mangal | 69,045 | 0.58% | 69,045 | 0.43% |
| 6. | Om Prakash Mangal | 14,28,575 | 12.08% | 14,28,575 | 8.90% |
| 7. | Mangalam Worldwide Pvt Ltd | 17,50,005 | 14.80% | 17,50,005 | 10.90% |
| 8. | Zaddoc Nutrition Pvt Ltd | 20,14,360 | 17.03% | 20,14,360 | 12.54% |
| | Sub-Total (B) | 61,68,875 | 52.16% | 61,68,875 | 38.42% |
| | TOTAL (A)+(B) | 1,13,98,790 | 96.38% | 1,13,98,790 | 70.99% |

12. The list of the shareholders of the company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the company:

a. As on the date of this Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of the total Pre Issue Paid-up Share Capital |
|---------|------------------------------------|-------------------------|--|
| 1. | Chandragupt Prakash Mangal | 21,98,875 | 18.59 |
| 2. | Chanakya Prakash Mangal | 20,74,100 | 17.54 |
| 3. | Zaddoc Nutritions Private Limited | 20,14,360 | 17.03 |
| 4. | Mangalam Worldwide Private Limited | 17,50,005 | 14.80 |
| 5. | Om Prakash Mangal | 14,28,575 | 12.08 |

| | | | |
|----|----------------------|--------------------|---------------|
| 6. | Vipin Prakash Mangal | 9,56,940 | 8.09 |
| 7. | Rashmi Mangal | 9,06,890 | 7.67 |
| | Total | 1,13,29,745 | 95.79% |

b. Ten days prior to the date of the Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of the total Pre Issue Paid-up Share Capital |
|---------|------------------------------------|-------------------------|--|
| 1. | Chandragupt Prakash Mangal | 21,98,875 | 18.91 |
| 2. | Chanakya Prakash Mangal | 20,74,100 | 17.84 |
| 3. | Zaddoc Nutritions Private Limited | 20,14,360 | 17.32 |
| 4. | Mangalam Worldwide Private Limited | 17,50,005 | 15.05 |
| 5. | Om Prakash Mangal | 14,28,575 | 12.29 |
| 6. | Vipin Prakash Mangal | 9,56,940 | 8.23 |
| 7. | Rashmi Mangal | 9,06,890 | 7.80 |
| | Total | 1,13,29,745 | 97.44% |

c. One year prior to the date of the Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of the then existing Paid-up Share Capital |
|---------|----------------------------|-------------------------|--|
| 1. | Rashmi Mangal | 1,08,800 | 19.96 |
| 2. | Chanakya Prakash Mangal | 1,63,800 | 30.05 |
| 3. | Chandragupt Prakash Mangal | 1,63,800 | 30.05 |
| 4. | Vipin Prakash Mangal | 94,800 | 17.39 |
| 5. | Hemlata Mangal | 8,420 | 1.54 |
| | Total | 5,39,620 | 99.99 |

d. Two years prior to the date of the Prospectus:

| Sr. No. | Name of Shareholders | Number of Equity Shares | % of the total Pre Issue Paid-up Share Capital |
|---------|----------------------------|-------------------------|--|
| 1. | Chandragupt Prakash Mangal | 8,800 | 19.55 |
| 2. | Chanakya Prakash Mangal | 8,800 | 19.55 |
| 3. | Vipin Prakash Mangal | 8,800 | 19.55 |
| 4. | Rashmi Mangal | 8,800 | 19.55 |
| 5. | Hemlata Mangal | 4,420 | 9.82 |
| 6. | Vipin Prakash Mangal HUF | 4,200 | 9.33 |
| 7. | Om Prakash Mangal HUF | 1,200 | 2.67 |
| | Total | 45,020 | 100.00 |

13. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme

/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

14. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Prospectus. However, the associates and affiliates of the Lead Manager may subscribe the Equity Shares in the Issue, in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
15. There are no Equity Shares against which depository receipts have been issued.
16. 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 the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
17. None of the persons/entities comprising our Promoter Group or our Directors or their relatives or our Company have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
18. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.
19. Our Company, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the issue from any person.
20. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
21. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
22. As per RBI regulations, OCBs are not allowed to participate in this Issue.
23. Our Company has not raised any bridge loans against the proceeds of the Issue.
24. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
25. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
26. An applicant cannot make an application for more than the number of Equity Shares being issued through this issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
27. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this issue.
28. Our Company has 44 shareholders as on the date of filing of this Prospectus.
29. Our Promoters and the members of our Promoter Group will not participate in this Issue.
30. Our Company has not made any public issue since its incorporation.

31. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended on 30 June, 2019 and financial years ended March 31, 2019, 2018 and 2017, please refer to paragraph titled *Details of Related Parties Transactions* as restated in the chapter titled “*Restated Financial Information*” on page 193 of this Prospectus.
32. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “*Our Management*” beginning on page 160 of this Prospectus.

OBJECTS OF THE ISSUE

Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs. 2,110.00 lakhs (the “**Net Proceeds**”).

We intend to utilize the Net Proceeds from Issue towards the following objects:

1. Funding the working capital requirements of our Company; and
2. General corporate purposes.

(Collectively, herein referred to as the “**Objects**”)

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

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

ISSUE PROCEEDS

The details of the Issue Proceeds are set out in the following table:

(Rs. in lakhs)

| Particulars | Estimated Amount |
|------------------------------|------------------|
| Gross Proceeds of the Issue | 2,157.30 |
| Less- Issue related expenses | 47.30 |
| Net Proceeds | 2,110.00 |

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be utilised in the manner set out in in the following table:

(Rs. in lakhs)

| Sr. No. | Particulars | Estimated Amount | Percentage of Gross Proceeds | Percentage of Net Proceeds |
|---------|---|------------------|------------------------------|----------------------------|
| 3. | Funding the working capital requirements of our Company | 1,700.00 | 78.80% | 80.57% |
| 4. | General Corporate Purposes | 410.00 | 19.01% | 19.43% |

SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Prospectus, our Company had not deployed any funds towards the objects of the Issue.

(Rs. in lakhs)

| Sr. No. | Particulars | Amount to be funded from the Net Proceeds | Estimated Utilisation of Net Proceeds (Financial Year 2019-2020) |
|---------|---|---|--|
| 1. | Funding the working capital requirements of our Company | 1,700.00 | 1,700.00 |
| 2. | General Corporate Purposes | 410.00 | 410.00 |

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

MEANS OF FINANCE

The fund requirement set out for the aforesaid objects will be met through the Net Proceeds to the extent of Rs. 1,700.00 lakhs and balance through internal accruals/ net worth/secured loans and short term bank finance. Further details of funding of objects is given below:

(Rs. in lakhs)

| Objects of the Issue | Amount Required | IPO Proceeds | Internal Accruals/ Net worth/ Secured Loans/ Unsecured Loans | Short Term Cash Credit Facility |
|---|------------------------|---------------------|---|--|
| Funding the working capital requirements of our Company | 8,000.17 | 1,700.00 | 3,300.17 | 3,000.00 |
| General Corporate Purpose | 410.00 | 410.00 | - | - |

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230 (1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

APPRAISAL BY APPRAISING AGENCY

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

The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activity proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Details of the Objects

The details of the objects of the Fresh Issue are set out below.

1. Funding the working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions. Our Company's existing working capital requirement and funding on the basis of Restated Standalone Financial Statements for Fiscal 2018 and for Fiscal 2019 are as stated below:

(Rs. in lakhs)

| Particulars | Fiscal 2018 (Restated) | Fiscal 2019 (Restated) |
|-----------------------|-------------------------------|-------------------------------|
| Current Assets | | |
| Inventories | | |
| - Raw Materials | - | 611.43 |
| - Finished Goods | - | 636.27 |

| | | |
|--|---------------|-----------------|
| - Semi-Finished Goods | - | 229.54 |
| Trade Receivables | 175.78 | 887.07 |
| Cash and Bank Balance | 9.81 | 3.50 |
| Short term loans & advances | 27.95 | 1,192.12 |
| Total (A) | 213.54 | 3,559.93 |
| Current Liabilities | | |
| Trade Payables | 125.93 | 59.36 |
| Other Current Liabilities & Short Term Provision | 29.81 | 272.95 |
| Total (B) | 155.74 | 332.31 |
| Total Working Capital (A)-(B) | | |
| | 57.80 | 3,227.62 |
| Existing Funding Pattern | | |
| Short-term borrowings from banks | - | 1,071.62 |
| Internal Accrual/Networth | 57.80 | 2,156.00 |

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated October 18, 2019 has approved the business plan for the Fiscal 2020. The projected working capital requirements for Fiscal 2020 is stated below:

(Rs. in lakhs)

| Particulars | Fiscal 2020 (Estimated) |
|--|----------------------------|
| Current Assets | |
| Inventories | |
| - Raw Materials | 2,698.70 |
| - Finished Goods | 1,438.56 |
| - Semi-Finished Goods | 189.25 |
| Trade Receivables | 2,535.13 |
| Cash and Bank Balance | 5.61 |
| Short term loans & advances | 1,408.42 |
| Total (A) | 8,275.67 |
| Current Liabilities | |
| Trade Payables | 51.30 |
| Other Current Liabilities & Short Term Provision | 224.20 |

| | | |
|---|------------------|-----------------|
| | Total (B) | 275.50 |
| | | |
| Total Working Capital (A)-(B) | | 8,000.17 |
| | | |
| Funding Pattern | | |
| Short-term borrowings from banks | | 3,000.00 |
| Internal Accrual/Networth and Unsecured Loans | | 3,300.17 |
| Proceeds from IPO | | 1,700.00 |

Assumption for working capital requirements:

(Holding Period in days)

| Particulars | Holding Level for Fiscal 2018 (Restated) | Holding Level for Fiscal 2019 (Restated) | Holding Level for Fiscal 2020 (Estimated) |
|----------------------------|--|--|---|
| Current Assets | | | |
| Inventories | | | |
| - Raw Materials | - | 12 | 30 |
| - Semi-Finished Goods | - | 2 | 1 |
| - Finished Goods | - | 7 | 8 |
| Trade Receivables | 24 | 10 | 15 |
| Current Liabilities | | | |
| Trade Payables | 18 | 1 | 1 |

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

| Current Assets | |
|-------------------|--|
| Inventories | <p>Raw Material- We have assumed raw material inventory of 30 days for the Fiscal 2020 as against raw material Inventory of 12 days for the Fiscal 2019 as we expect to increase our production which requires more level of raw material in coming year.</p> <p>Semi-Finished Goods- We have assumed almost similar Semi-Finished Goods Inventory period for the Fiscal 2020 as compared to Fiscal 2019 to keep in line with our increase in business operation.</p> <p>Finished Goods- We have assumed finished goods inventory of 8 days for Fiscal 2020 as compared to 7 days for Fiscal 2019 to keep in line with our expected increase in finished goods turnover in coming year.</p> |
| Trade receivables | <p>Our Company shall give credit facility of around 15 days to our debtors for Fiscal 2020 as compared to 10 days for Fiscal 2019. Going forward our Company intends to provide liberal credit facility to our debtors to increase our business operation.</p> |

| Current Liabilities | |
|---------------------|---|
| Trade Payables | We have assumed similar period of trade payables of 1 day for the Fiscal 2020 and Fiscal 2019 as against 18 days for Fiscal 2018 as we intend not to increase the credit period expected from our creditors due to fulfilment of our working capital requirements through our proposed initial public Issue. This would help us in maintaining good relations with our creditors. |

Our Company proposes to utilize Rs. 1,700.00 lakhs of the Net Proceeds in Fiscal 2020 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2020 will be arranged from existing bank borrowings and internal accruals/ net worth.

2. General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 47.30 Lakhs.

| Expenses | Expenses (Rs in lakhs) | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|---|------------------------|--------------------------------------|--------------------------------------|
| Fees payable to the Lead Manager (including Underwriting commission, Legal advisors, RTA, printing & stationary and other marketing expenses) | 38.00 | 80.34% | 1.76% |
| Fees payable to the to the Regulators including stock exchanges | 4.00 | 8.46% | 0.19% |
| Brokerage and selling commission payable to Intermediaries ¹ | 3.50 | 7.40% | 0.16% |
| Brokerage and selling commission payable to Registered Brokers ² | 0.20 | 0.42% | 0.01% |
| Processing fees to SCSBs for ASBA Applications procured by the members of the Registered Brokers and submitted with the SCSBs ³ | 0.20 | 0.42% | 0.01% |
| Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members | 0.10 | 0.21% | 0.00% |

| Expenses | Expenses (Rs in lakhs) | Expenses (% of total Issue expenses) | Expenses (% of Gross Issue Proceeds) |
|--|------------------------|--------------------------------------|--------------------------------------|
| of the Registered Brokers, RTAs or the CDPs and submitted to them ⁴ | | | |
| Others (bankers to the Issue, auditor's fees etc.) | 1.30 | 2.75% | 0.06% |
| Total estimated Issue expenses | 47.30 | 100.00% | 2.19% |

**As on the date of the Prospectus, Our Company has incurred 22.18 lakhs towards Issue Expenses out of internal accruals.*

¹Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs 0.01% or Rs. 100/- whichever is less ^ (exclusive of GST)

Portion for NIIs 0.01% or Rs. 100/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).

Further, the Members of RTAs and CDPs will be entitled to application charges of Rs. 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.

²Registered Brokers, will be entitled to a commission of Rs. 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

³SCSBs would be entitled to a processing fee of Rs. 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

⁴Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs. 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance the requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs in terms of Regulation 262 of the SEBI (ICDR Regulations, 2018), our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds and will disclose the utilization

of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the Net Proceeds of the Issue from the objects of the Issue as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

The Price has been determined by our Company in consultation with the Lead Manager, on the basis of an assessment of market demand for the Equity Shares and on the basis of the qualitative and quantitative factors as described below.

Investors should also refer to the sections titled “Risk Factors”, “Financial Information” and chapter titled “Our Business” beginning on pages 35, 193 and 122 respectively of this Prospectus, to have a more informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

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

- Experienced Management Team;
- Quality Control & Quality Assurance;
- Diversified business model & customer base; and
- Scalable Business Model.

For further details, refer to heading “Our Competitive Strengths” under the chapter titled “Our Business” beginning on page 122 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated standalone financial information of the Company for the period ended June 30, 2019 and for the Financial Year 2019, 2018 and 2017 and restated consolidated financial information for the period ended June 30, 2019 and for the Financial Year 2019 prepared in accordance with Indian GAAP, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations. For details, refer section titled “Financial Information” beginning on page 193 of this Prospectus.

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

1. Basic and Diluted Earnings per Share (“EPS”) as adjusted for changes in Capital

As per Restated Consolidated Financial Information:

| Year/Period ended | Basic & Diluted EPS (Rs.) | Weight |
|-------------------|---------------------------|--------|
| March 31, 2017 | N.A.* | N.A.* |
| March 31, 2018 | N.A.* | N.A.* |
| March 31, 2019 | 2.31 | N.A.* |
| June 30, 2019** | 0.88 | |
| Weighted average | N.A.* | |

*Since our Company has started preparing its consolidated financial statements from the financial year 2018-19 onwards, Basic & Diluted EPS for the year ended March 31, 2018 & for the year ended March 31, 2017 and weighted average EPS on consolidated basis are not applicable.

**Not Annualised

As per Restated Standalone Financial Information:

| Year/Period ended | Basic & Diluted EPS (Rs.) | Weight |
|-------------------|---------------------------|--------|
| March 31, 2017 | 0.10 | 1 |
| March 31, 2018 | 0.28 | 2 |
| March 31, 2019 | 2.20 | 3 |
| June 30, 2019* | 0.91 | |
| Weighted average | 1.21 | |

*Not Annualised

Note:-

1. *Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of equity shares outstanding during the year/period.*
 2. *Diluted Earnings per share = Net profit after tax, as restated attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the year/period.*
 3. *Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].*
 4. *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year.*
 5. *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014*
 6. *The above ratios has been adjusted for issuance of bonus of 93,01,928 Equity Shares on September 03, 2019.*
 7. *The face value of each Equity Share is Rs. 10.*
- 2. Price to Earnings (P/E) ratio in relation to the Issue Price Rs. 51/- per Equity Share of face value of Rs. 10 each fully paid up**

| Particulars | PE Ratio (no. of times) |
|---|-------------------------|
| P/E ratio based on Basic & Diluted EPS for FY 2018-19 based on a consolidated basis | 22.08 |
| P/E ratio based on Basic & Diluted EPS for FY 2018-19 based on a standalone basis | 23.16 |
| P/E ratio based on Weighted Average Basic & Diluted EPS based on a consolidated basis | N.A.* |
| P/E ratio based on Weighted Average Basic & Diluted EPS based on a standalone basis | 42.14 |

*Since our Company has started preparing its consolidated financial statements from the financial year 2018-19 onwards, Basic & Diluted EPS for the year ended March 31, 2018 & for the year ended March 31, 2017 and weighted average EPS on consolidated basis are not applicable.

Industry P/E ratio

| Particulars | P/E ratio |
|-------------|-----------|
| Highest | 36.18 |
| Lowest | 8.59 |
| Average | 22.39 |

3. Return on Net worth (RoNW)

As per Restated Consolidated Financial Information:

| Year/Period ended | RoNW (%) | Weight |
|-------------------------|--------------|--------|
| March 31, 2017 | N.A.* | N.A.* |
| March 31, 2018 | N.A.* | N.A.* |
| March 31, 2019 | 6.62 | N.A.* |
| June 30, 2019** | 2.89 | |
| Weighted average | N.A.* | |

*Since our Company has started preparing its consolidated financial statements from the financial year 2018-19 onwards, Return on Net Worth for the year ended March 31, 2018 & for the year ended March 31, 2017 and weighted average Return on Networth on consolidated basis are not applicable.

**Not Annualised

As per Restated Standalone Financial Information:

| Year/Period ended | RoNW (%) | Weight |
|-------------------------|---------------|--------|
| March 31, 2017 | 109.05 | 1 |
| March 31, 2018 | 4.84 | 2 |
| March 31, 2019 | 6.69 | 3 |
| June 30, 2019* | 3.15% | |
| Weighted average | 23.14% | |

*Not Annualised

Notes:

1. Return on Net Worth (%) = Net Profit after tax attributable to equity shareholders, as restated / Net worth as restated as at year end.
2. Weighted average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
3. Net worth is aggregate value of the paid-up share capital of the Company and Reserve and Surplus, excluding revaluation reserves if any, as per Restated Financial Information.

4. Net Asset Value (NAV) per Equity Share of Face Value of Rs 10 each

As per Restated Consolidated Financial Information:

| Particulars | Rs. per Equity Share |
|---|----------------------|
| Net Asset Value per Equity Share as on March 31, 2019 | 29.52 |
| Net Asset Value per Equity Share as on June 30, 2019 | 30.41 |
| Net Asset Value per Equity Share after the Issue | 35.45 |
| Issue Price per equity share | 51.00 |

As per Restated Standalone Financial Information:

| Particulars | Rs. per Equity Share |
|---|----------------------|
| Net Asset Value per Equity Share as on March 31, 2019 | 27.89 |
| Net Asset Value per Equity Share as on June 30, 2019 | 28.80 |
| Net Asset Value per Equity Share after the Issue | 34.29 |
| Issue Price per equity share | 51.00 |

Notes:

1. Net Asset Value Per Equity Share = Restated net worth, attributable to equity holders of the Company at the end of the year/period. / Number of equity shares outstanding as at the end of year/period.
2. Net worth is aggregate value of the paid-up share capital of the Company and Reserve and Surplus (excluding revaluation reserves, if any) and attributable to equity holders of the Company, if any, as per Restated Financial Information.
3. The above ratios has been adjusted for issuance of bonus of 93,01,928 Equity Shares on September 03, 2019.

5. Comparison with listed industry peers:

| Companies | CMP* | Basic & Diluted EPS(Rs. per share) | PE Ratio (No. of times) | RONW (%) | NAV (Rs. per share) | Face Value (Rs. per share) | Total Income (Rs. in Lakhs) |
|------------------------------------|--------|------------------------------------|-------------------------|----------|---------------------|----------------------------|-----------------------------|
| Mangalam Global Enterprise Limited | 51.00 | 2.31 | 22.08 | 6.62 | 29.52 | 10 | 38,995.21 |
| Peer Group** | | | | | | | |
| Gokul Agro Resources Limited | 14.05 | 0.39 | 36.18 | 2.44 | 15.89 | 2.00 | 4,28,041.02 |
| Jayant Agro Organics Limited | 136.05 | 15.83 | 8.59 | 15.00 | 105.56 | 5.00 | 80,354.73 |

* CMP for our Company is considered as Issue Price

**Source: www.nseindia.com

Notes:

- 1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However the same has been included for broad comparison.*
- 2. The figures for Mangalam Global Enterprise Limited is based on the restated consolidated financial statements for the year ended March 31, 2019.*
- 3. The figures for the peers are based on the standalone audited results for the year ended March 31, 2019, filled with NSE.*
- 4. Current Market Price (CMP) is the closing price of peer's script as on October 09, 2019 on NSE.*
- 5. NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off if any).*
- 6. P/E Ratio has been computed based on the closing market price of peers group's equity shares on October 09, 2019 on NSE, as divided by the Basic EPS provided.*
- 7. RoNW has been computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off if any).*
- 8. The Issue Price of Mangalam Global Enterprise Limited is Rs. 51.00/- per Equity Share.*

Investors should read the above mentioned information along with “*Our Business*” “*Risk Factors*” and “*Financial Statements as Restated*” beginning on pages 122, 35 and 193 of this Prospectus, 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 POSSIBLE TAX BENEFITS

To,

The Board of Directors

Mangalam Global Enterprise Limited

101, Mangalam Corporate House, 19/B Kalyan Society,

Nr. M.G. International School, Mithakhali,

Ahmedabad - 380006

Dear Sir/Ma'am,

Sub: Proposed Initial Public Offering (IPO) of the Equity Shares of the Mangalam Global Enterprise Limited, (the "Company"), pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the "Act").

1. This report is issued in accordance with the terms of our engagement letter dated September 11, 2019.
2. The accompanying Statement of Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as "the Statement") under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the "Income Tax Regulations") and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) has been prepared by the management of the Company in connection with the proposed Offer, which we have initialled for identification purposes.

Management's responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the Prospectus/Prospectus (the "Offer Document") is the responsibility of the management of the Company and has been approved by the Board of Directors for the purpose set out in paragraph 12 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's responsibility

4. Our work has been carried out in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of June 30, 2019 to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,' issued by the ICAI.

Inherent Limitations

8. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

9. Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.
10. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our 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.

Opinion

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits available as of June 30, 2019, to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations & other Indirect Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

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

Restriction on Use

12. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Offer Document, prepared in connection with the Offer to be filed by the Company with the NSE.

For Keyur Shah & Co.

Chartered Accountants

Firm's Registration No.: 141173W

Sd/-

Keyur Shah

Proprietor

Membership No.: 153774

UDIN - 19153774AAAADL4322

October 18, 2019

Ahmedabad

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

A) Direct Taxation:

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

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

a. Special tax benefits to the company

There are no special tax benefits to the company.

b. Special tax benefit to the shareholder

There are no special tax benefits to the shareholders of the company.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

B) Indirect Taxation:

- 1) **Benefits available under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) (together referred to as “GST Regime “or “GST Law”)**

1.1. Special tax benefits to the company

There are no special tax benefits to the company.

1.2. Special tax benefit to the shareholder

There are no special tax benefits to the shareholders of the company.

SECTION V – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” and related notes beginning on page 35 and 193 respectively of this Prospectus before deciding to invest in our Equity Shares.

WHAT IS CASTOR OIL

Castor oil is unique among vegetable oils and accounted for less than a 0.5% share in the global vegetable oils market. Castor oil is widely used in commercial segments, including the manufacturing of paints, cosmetics, resins, fluids and lubricating greases, among others. Castor oil & its derivatives have the ability to replace synthetic feedstock with bio-based products.

The oil which is extracted from the different plant and castor seeds identify as the castor oil. Castor oil is colorless to pale yellow liquid with mild or no taste. Castor oil is used in various industries includes Biopolymers, Personal care, Food, Lubricants, Plastic & Rubber, Paper, pharmaceuticals, paint, inks, and additives. Owing to the various usages of castor oil in different industries and pharmaceutical applications, the market demand for this unique chemical structure is escalated in past few years. All chemical derivatives of castor oil provide numerous use in industrial applications, and their sustainability domains are increasing rapidly. Castor oil key derivatives comprise of hydrogenated, dehydrated, ethylated, sulfonated, heptaldehyde, sebacic acid, polyols, undecylenic acid, zinc ricinoleate, methyl ricinoleate, zinc undecylenate, calcium undecylenate, and commercial grade castor oil.

Castor oil is a rich source of Ricinoleic Acid, which represents up to 90% of the total castor oil content. It also consists up to 4% linoleic, 3% oleic, 1% stearic, and less than 1% linolenic fatty acids. Castor Oil contains 40-55% Oil, 12-16% protein, 5% moisture, 3-7% NFE (Sugar, starches and others) and 27% crude fiber. Castor Oil has relatively high viscosity and thickness. Castor oil is high solubility in alcohol in any proportion. It has relatively high shelf life.

(Source: – Transparency Market Research (www.transparencymarketresearch.com))

GLOBAL ECONOMIC OVERVIEW:

India continues to remain the fastest growing major economy in the world in 2018-19, despite a slight moderation in its GDP growth from 7.2 per cent in 2017-18 to 6.8 per cent in 2018-19. On the other hand, the world output growth declined from 3.8 per cent in 2017 to 3.6 per cent in 2018. The slowdown in the world economy and Emerging Market and Developing Economies (EMDEs) in 2018 followed the escalation of US China trade tensions, tighter credit policies in China, and financial tightening alongside the normalization of monetary policy in the larger advanced economies. In 2019, when the world economy and EMDEs are projected to slow down by 0.3 and 0.1 percentage points respectively, growth of Indian economy is forecast to increase (Figure 1). Crucially, India forms part of 30 per cent of the global economy, whose growth is not projected to decline in 2019 (World Economic Outlook (WEO), April 2019 of IMF).

Table 0.1 : Key Indicators

| Data categories | Unit | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--|----------------|----------|----------|----------|-----------------------|
| GDP and Related Indicators | | | | | |
| GDP at current market prices | ₹ Crore | 13771874 | 15362386 | 17095005 | 19010164 ^a |
| GDP at constant market prices | ₹ Crore | 11369493 | 12298327 | 13179857 | 14077586 ^a |
| Growth Rate | (per cent) | 8.0 | 8.2 | 7.2 | 6.8 ^a |
| GVA at constant basic prices | ₹ Crore | 10491870 | 11318972 | 12104165 | 12906936 ^a |
| Growth Rate | (per cent) | 8.0 | 7.9 | 6.9 | 6.6 ^a |
| Gross Savings | % of GDP | 31.1 | 30.3 | 30.5 | NA |
| Gross Capital Formation | % of GDP | 32.1 | 30.9 | 32.3 | NA |
| Per Capita Net National Income (at current prices) | ₹ | 94797 | 104659 | 114958 | 126406 ^a |
| Production | | | | | |
| Food grains | Million tonnes | 251.5 | 275.1 | 285.0 | 283.4 ^b |
| Index of Industrial Production (growth) | (per cent) | 3.3 | 4.6 | 4.4 | 3.6 |
| Electricity Generation (growth) | (per cent) | 5.6 | 4.7 | 4.0 | 3.5 |
| Prices | | | | | |
| WPI inflation (average) | (per cent) | -3.7 | 1.7 | 3.0 | 4.3 |
| CPI (Combined) inflation (average) | (per cent) | 4.9 | 4.5 | 3.6 | 3.4 |
| External Sector | | | | | |
| Merchandise export growth (in US\$ term) | (per cent) | -15.5 | 5.2 | 10.0 | 8.8 |
| Merchandise import growth (in US\$ term) | (per cent) | -15.0 | 0.9 | 21.1 | 10.4 |
| Current Account Balance | % of GDP | -1.1 | -0.6 | -1.9 | -2.6 ^c |
| Foreign Exchange Reserves (end of year) | US\$ billion | 360.2 | 370.0 | 424.5 | 412.9 |
| Average Exchange Rate | ₹ /US\$ | 65.5 | 67.1 | 64.5 | 69.9 |
| Money and Credit | | | | | |
| Broad Money (M3) growth | (per cent) | 10.1 | 10.1 | 9.2 | 10.5 |
| Scheduled Commercial Bank Credit (Growth Rate) | (per cent) | 10.9 | 8.2 | 10.0 | 13.3 |
| Fiscal Indicators (Centre) | | | | | |
| Gross Fiscal Deficit | % of GDP | 3.9 | 3.5 | 3.5 | 3.4 ^d |
| Revenue Deficit | % of GDP | 2.5 | 2.1 | 2.6 | 2.3 ^d |
| Primary Deficit | % of GDP | 0.7 | 0.4 | 0.4 | 0.3 ^d |

Notes:

NA: Not Available,

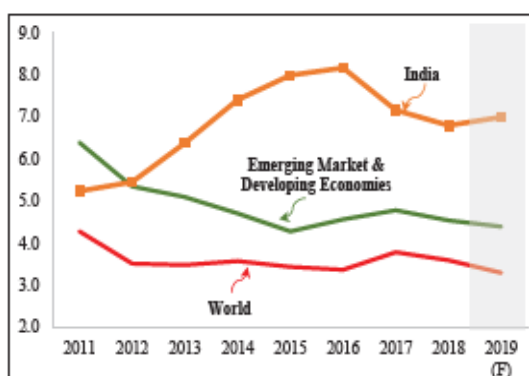
a: Provisional estimates,

c: (April-December) 2018,

b: Third advance estimate,

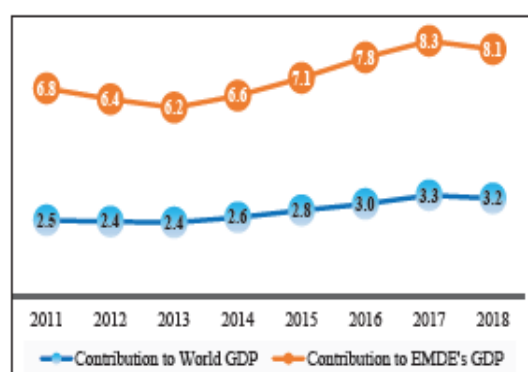
d: Provisional Actual

Figure 1: Growth rate of real GDP (per cent)



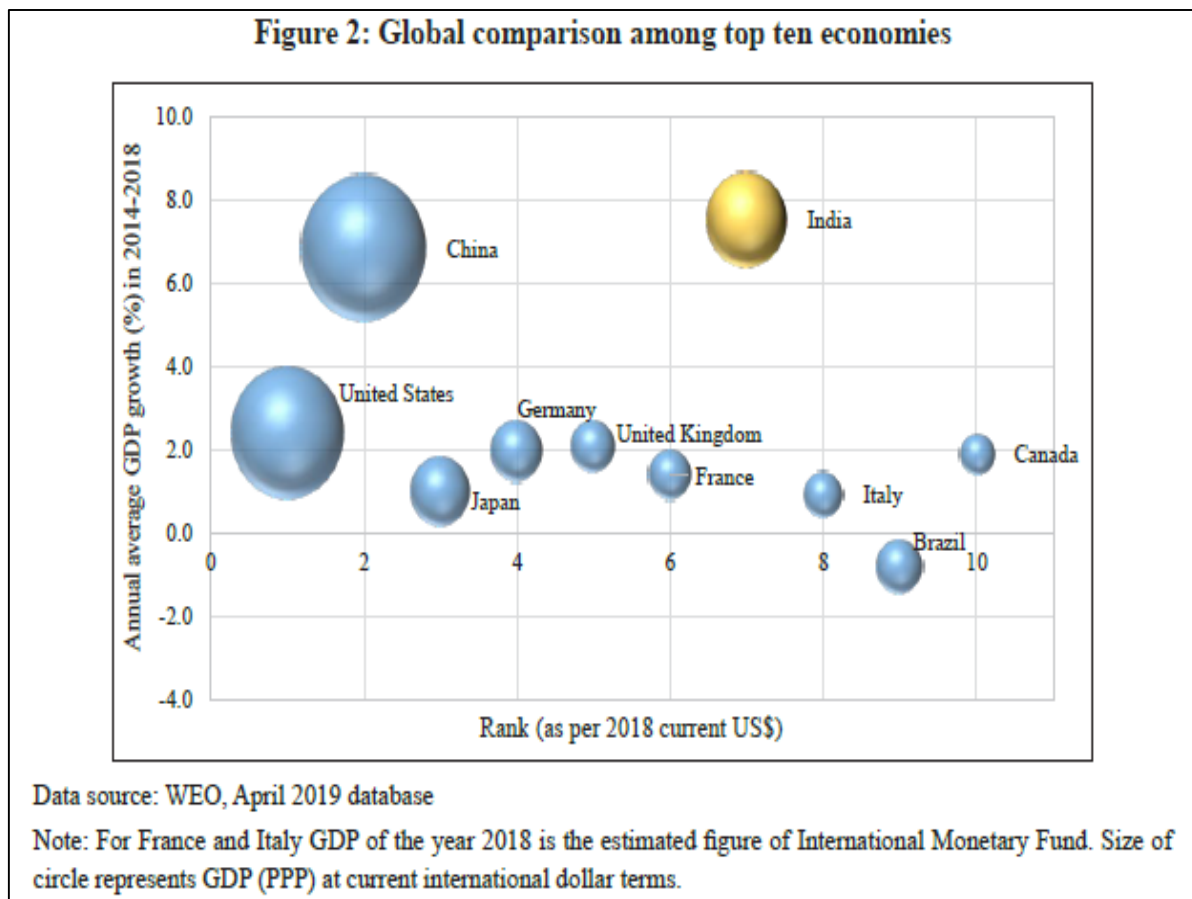
Data source: WEO, April 2019 database, CSO for India, 2019 projection for India is survey's projection.

Figure 3: India's share in GDP of EMDEs and World (per cent)



Data source: WEO, April 2019 database

India is the seventh largest economy in terms of Gross Domestic Product (GDP) in current US\$ and has emerged as the fastest growing major economy (Figure 2). The average growth rate of India was not only higher than China's during 2014-15 to 2017-18 but much higher than that of other top major economies (measured in terms of GDP at current US\$ terms) as well. With Purchasing Power Parity (PPP) adjustments, India's GDP at current international dollar, ranks third in the world (as shown by the size of circles in Figure 2).



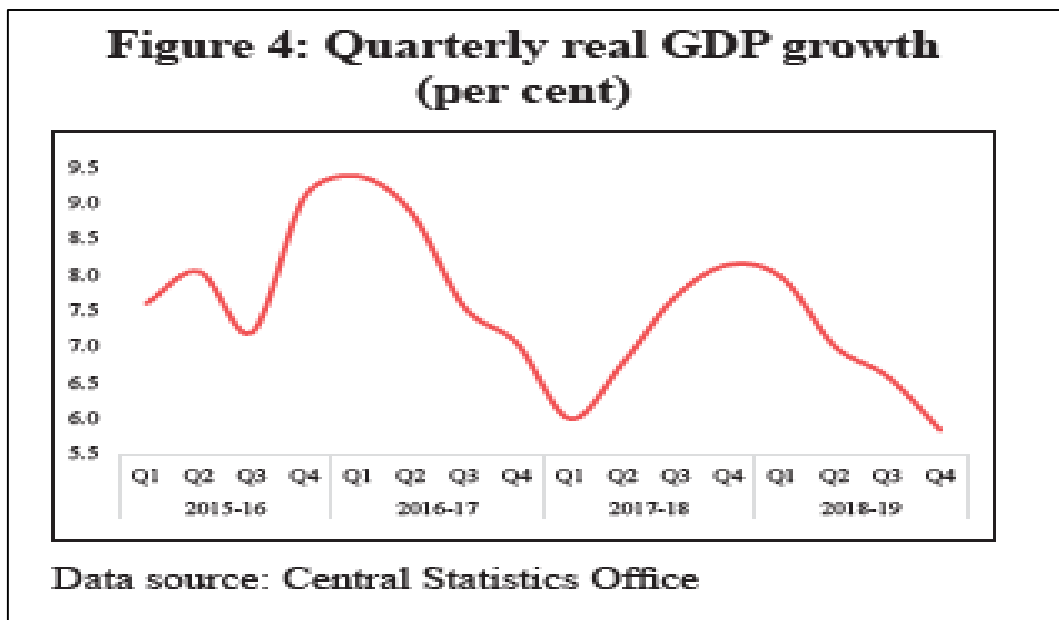
The contribution of the Indian economy to the GDP of EMDEs and world economy has increased consistently over the years (Figure 3). In a span of less than a decade, India's contribution to EMDEs GDP has increased by around 1.3 percentage points and to the world economy by around 0.7 percentage points. India's share in GDP of EMDEs stood at 8 per cent in 2018. As per the WEO, April 2019 of IMF, going forward, the growth of world economy will be bolstered mainly by growth in China and India and their increasing weights in world income. In EMDEs group, India and China are the major drivers of growth. The global economy in particular the global growth powerhouse, China is rebalancing, leading to an increasing role for India. Hence, India's contribution has become much more valuable to the global economy.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

INDIAN ECONOMIC OVERVIEW:

India's growth of real GDP has been high with average growth of 7.5 per cent in the last 5 years (2014-15 onwards). The Indian economy grew at 6.8 per cent in 2018-19, thereby experiencing some moderation in growth when compared to the previous year. This moderation in growth momentum is mainly on account of lower growth in 'Agriculture & allied', 'Trade, hotel, transport, storage, communication and services related to broadcasting' and 'Public administration & defence' sectors. Acreage in 2018-19 for the rabi crop was marginally lower than last year, which affected agricultural performance. The contraction in food prices may have contributed to inducing farmers to produce less. On the demand side, lower growth of GDP in 2018-19 was accounted for, by a decline in growth of government final consumption, change in stocks and contraction in valuables.

When we examine the growth pattern within the various quarters of 2018-19, we note that the moderation in real GDP growth has been experienced in all quarters of 2018-19 (Figure 4) with the fourth quarter (Q4) registering a growth of 5.8 per cent. The base effect arising from a high growth of 8.1 per cent in the Q4 of 2017-18 also led to this lower growth in Q4 of 2018-19. In this quarter, election related uncertainty may have also contributed to growth moderation.



There was contraction in ‘Agriculture & allied’ sector in the last quarter of 2018-19, though growth was reasonable in the previous three quarters. Growth of industry sector also experienced tempering in successive quarters of 2018-19 mostly on account of growth deceleration in the manufacturing sector (Table 1). This is also seen in Index of Industrial Production (IIP) of manufacturing sector, which grew at 0.3 per cent in Q4 of 2018-19, as compared to 7.5 per cent in the same quarter of previous year. Manufacturing sector was affected by the slowdown in the auto sector as well, where the production growth for all categories, apart from commercial vehicles declined in 2018-19, as compared to 2017-18. Sales growth decelerated in many segments of the automobile sector, including passenger vehicles, tractor sales, three and two wheeler sales (Figure 5). Stress in Non-Banking Financial Companies (NBFC) sector also contributed to the slow down by adversely impacting consumption finance (Figure 6). Despite the moderation of manufacturing growth within 2018-19, overall growth in the year was higher than in 2017-18, due to a high growth of 12.1 per cent in first quarter of 2018-19.

Table 1: Quarter-wise growth in Gross Value Added (per cent)

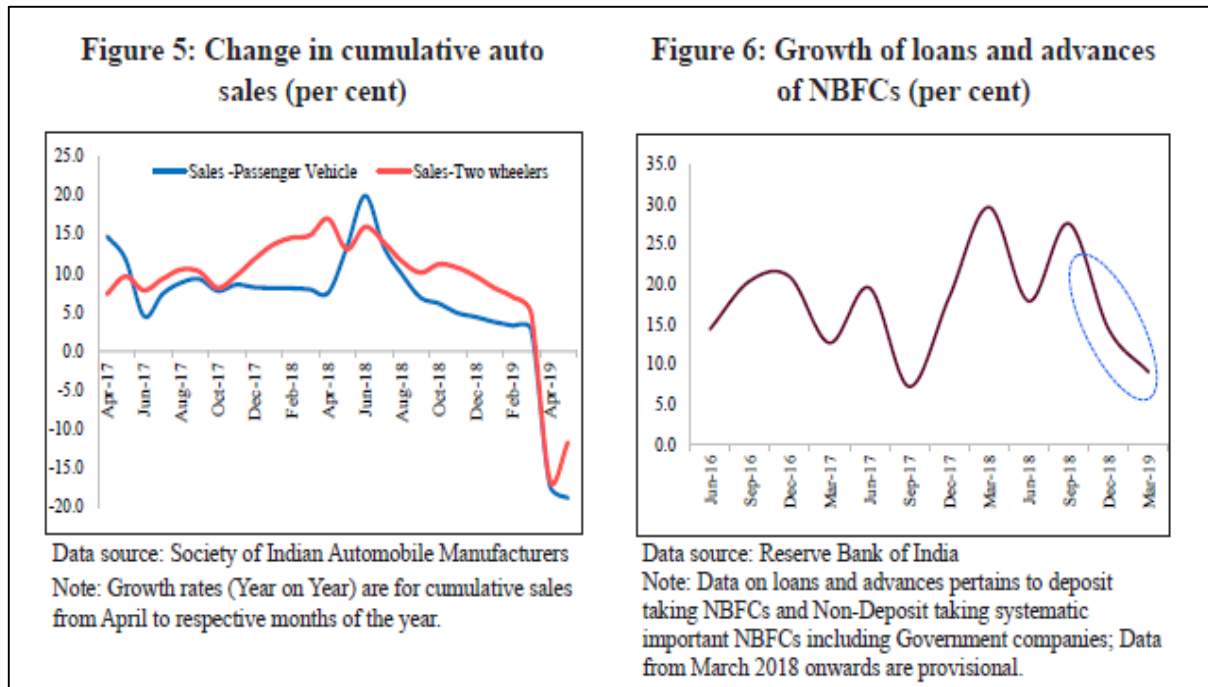
| | 2017-18 | | | | 2018-19 | | | |
|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Agriculture and allied | 4.2 | 4.5 | 4.6 | 6.5 | 5.1 | 4.9 | 2.8 | -0.1 |
| Industry | 0.8 | 6.9 | 8.0 | 8.1 | 9.8 | 6.7 | 7.0 | 4.2 |
| (of which) Manufacturing | -1.7 | 7.1 | 8.6 | 9.5 | 12.1 | 6.9 | 6.4 | 3.1 |
| Services | 9.4 | 6.8 | 8.0 | 8.2 | 7.1 | 7.3 | 7.2 | 8.4 |
| GVA at basic prices | 5.9 | 6.6 | 7.3 | 7.9 | 7.7 | 6.9 | 6.3 | 5.7 |
| GDP at market prices | 6.0 | 6.8 | 7.7 | 8.1 | 8.0 | 7.0 | 6.6 | 5.8 |

Source: Central Statistics Office

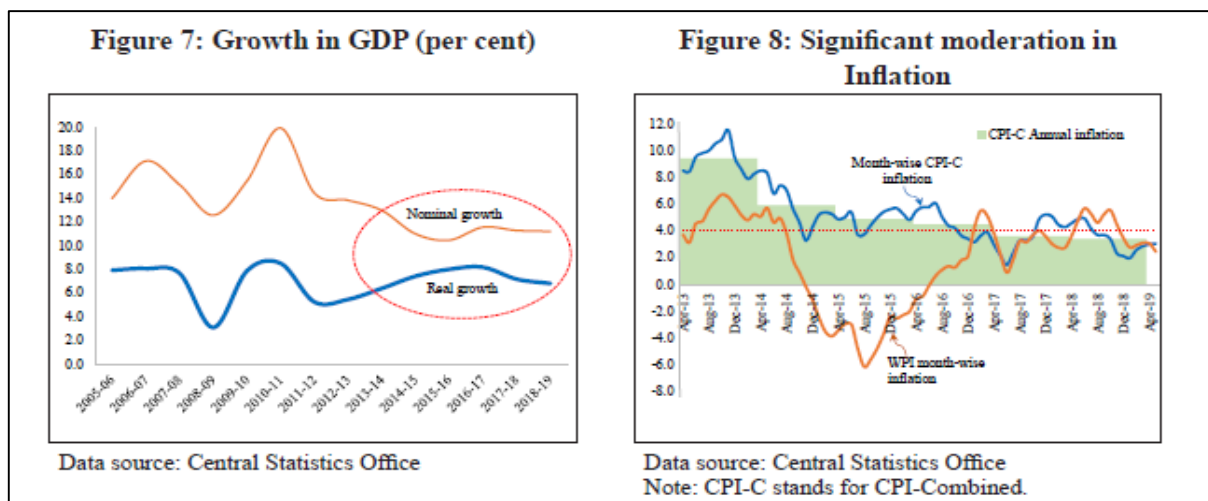
From the demand side, the decline in GDP growth during 2018-19 arose primarily from deceleration in private final consumption in the final two quarters. This could have been due to low farm incomes in rural areas arising

from low food prices and also due to the stress in NBFCs, which affected its lending. The Q4 of 2018-19 also saw growth of exports declining.

Although growth rate of real GDP was high during the last few years, the coterminous decline in the nominal GDP growth from 2010-11 onwards, points towards a secular decline in inflation. As seen in Figure 7, the gap between nominal and real growth rate has reduced significantly. Thus, the GDP deflator, which is a weighted average of Consumer Prices Index (CPI) and Wholesale Price Index (WPI), became smaller. This is reflected in a consistent decline in CPI inflation during the last few years (Figure 8). In 2013-14, CPI headline inflation was close to double digits, but gradually declined thereafter to be within the target of 4 (+/- 2) per cent. Headline CPI declined to 3.4 per cent in 2018-19 from 3.6 per cent in 2017-18.

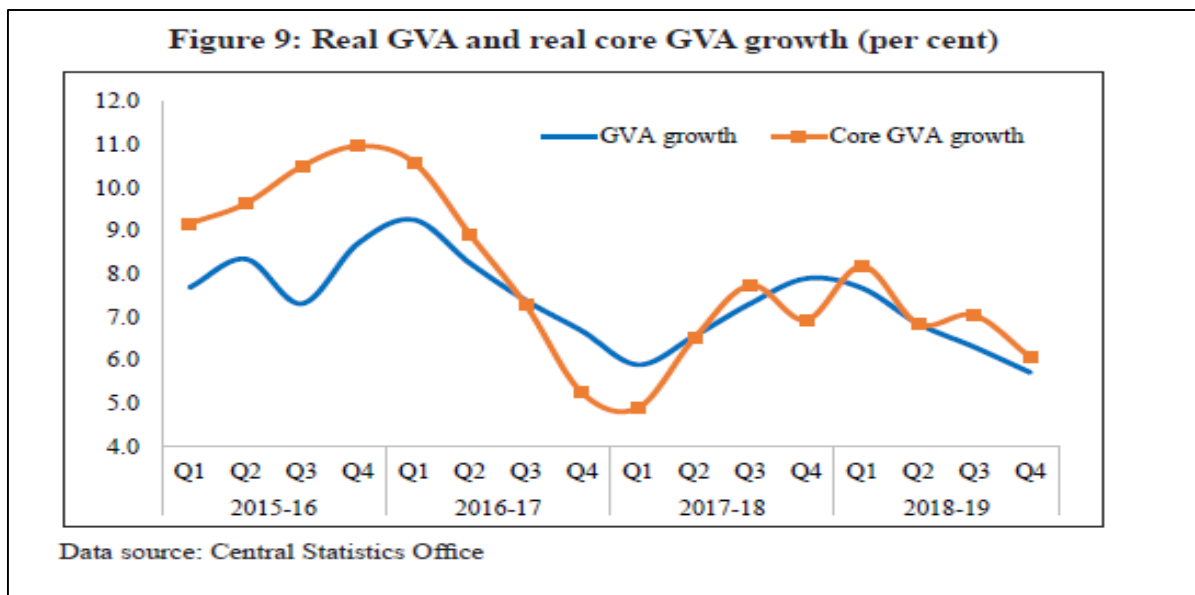


Headline WPI inflation stood at 4.3 per cent in 2018-19, higher as compared to 3.0 per cent in 2017-18. The increase in WPI inflation was broad based, which saw increase in inflation of all the groups except food in 2018-19. Increase in WPI led to marginal pick-up in GDP deflator from 3.8 per cent in 2017-18 to 4.1 per cent in 2018-19.

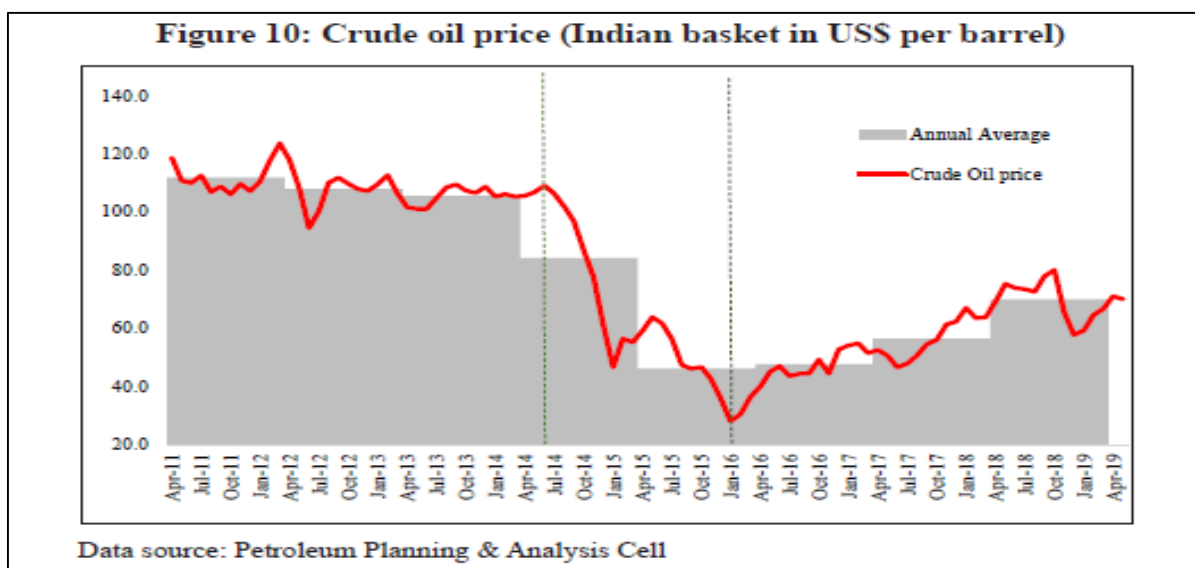


Core Gross Value Added (GVA) (measured as GVA except 'Agriculture & allied' activities, and 'Public administration & defence') shows higher growth than that of overall GVA in 2018-19. Core GVA growth picked up from 6.5 per cent in 2017-18 to 7.0 per cent in 2018-19, whereas GVA growth slowed down marginally

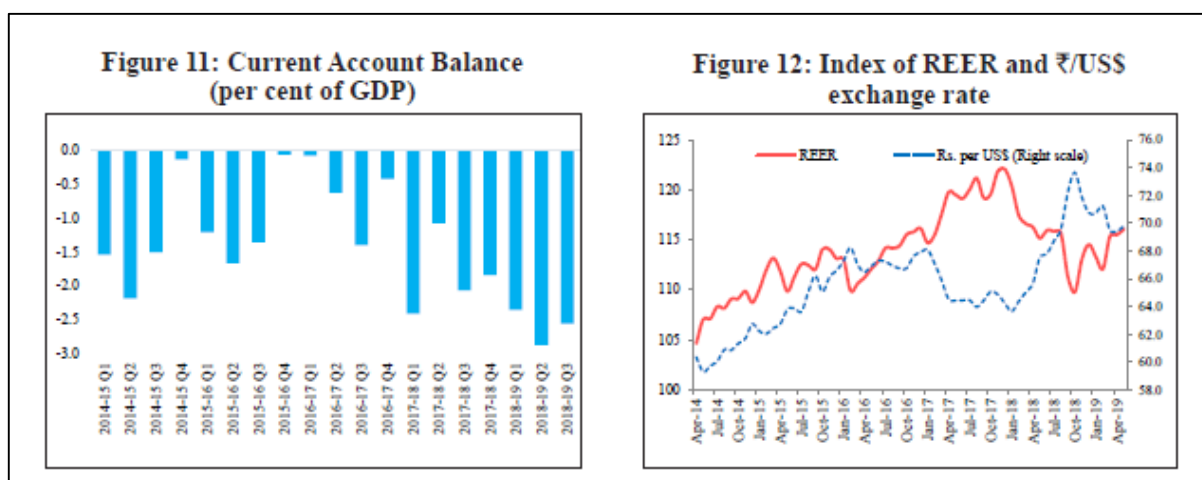
from 6.9 per cent in 2017-18 to 6.6 per cent in 2018-19. For all quarters of 2018-19, the core GVA growth was higher than overall GVA growth, as 'Agriculture & allied' and 'Public administration & defence' experienced the largest decline in growth rates relative to other sectors. But in Q4 of 2018-19, the growth of core GVA also decelerated by 1 percentage point over previous quarter, largely on account of lower growth in manufacturing sector (Figure 9).



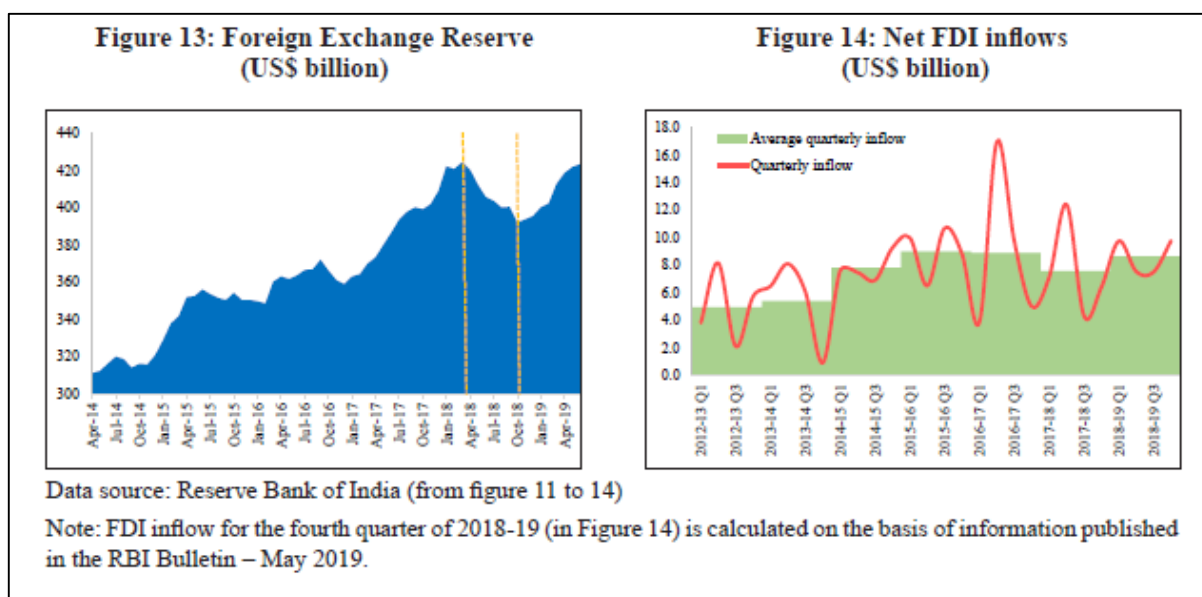
On the external front, current account deficit (CAD) increased from 1.9 per cent of GDP in 2017-18 to 2.6 per cent in April-December 2018 (refer Figure 11). The widening of the CAD was largely on account of a higher trade deficit driven by rise in international crude oil prices (Indian basket). The trade deficit increased from US\$ 162.1 billion in 2017-18 to US\$ 184 billion in 2018-19. Nominal growth of both merchandise exports and imports declined in US dollar terms in 2018-19, as compared to 2017-18. However, the decline was much sharper in merchandise imports, which reduced from 21.1 per cent to 10.4 per cent. Growth of merchandise imports declined as oil price driven increase in growth of oil imports was more than offset by contraction in value of gold imports and lower growth in the value of non-oil non-gold imports. The crude oil prices, however, showed movements in both the directions within the year. As the year commenced, crude prices increased and reached above 80 US\$/bbl. in October 2018. Thereafter, it started to decline before increasing again after December 2018 (Figure 10). Overall the oil prices were substantially higher in 2018-19, as compared to previous year.



Growth in service exports and imports in US dollar terms declined to 5.5 per cent and 6.7 per cent respectively in 2018-19, from 18.8 per cent and 22.6 per cent respectively in 2017-18. Rupee depreciated by 7.8 per cent vis-à-vis US dollar, 7.7 per cent against Yen, and 6.8 per cent against Euro and Pound Sterling in 2018-19. During 2018-19, Indian rupee traded with a depreciating trend against US dollar and touched 74.4 per US dollar in October 2018 before recovering to 69.2 per US dollar at end March 2019. Rupee depreciated in the first half of the year due to concerns related to widening of CAD owing to rising crude oil prices coupled with tighter financial conditions in US caused by increase in Federal Funds rate by the US Federal Reserve. However, rupee performed better than some of the other major emerging market currencies, such as, Argentine Peso, Turkish Lira, Brazilian Real, and Russian Ruble, which depreciated more than 10 per cent vis-à-vis US dollar. Not only in terms of bilateral exchange rate with US dollar, rupee also depreciated when measured as trade based weighted exchange rates in 2018-19. Nominal Effective Exchange Rate (NEER) (36 currency trade based bilateral weights) of rupee depreciated by 5.6 per cent in 2018-19. Correspondingly, Real Effective Exchange Rate (REER) also depreciated by 4.8 per cent in 2018-19 (Figure 12).



The foreign exchange reserves in nominal terms (including the valuation effects) decreased by US\$ 11.6 billion at end-March 2019 over end-March 2018. Within the year, foreign exchange reserves were declining until October 2018 due to RBI's intervention to modulate exchange rate volatility. India's foreign exchange reserves continue to be comfortably placed at US\$ 422.2 billion, as on 14th June 2019 (Figure 13).



Net Foreign Direct Investment (FDI) inflows grew by 14.2 per cent in 2018-19. Among the top sectors attracting FDI equity inflows, services, automobiles and chemicals were the major categories. By and large, FDI inflows

have been growing at a high rate since 2015-16 (Figure 14). This pick-up indicates the improvement in confidence of the foreign investors in the Indian economy.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

OUTLOOK FOR 2019-20:

The year 2019-20 has delivered a huge political mandate for the government, which augurs well for the prospects of high economic growth. Real GDP growth for the year 2019-20 is projected at 7 per cent, reflecting a recovery in the economy after a deceleration in the growth momentum throughout 2018-19. The growth in the economy is expected to pick up in 2019-20 as macroeconomic conditions continue to be stable while structural reforms initiated in the previous few years are continuing on course. However, both downside risks and upside prospects persist in 2019-20. Investment rate, which was declining from 2011-12 seems to have bottomed out. It is expected to pick up further in the year 2019-20 on the back of higher credit growth and improved demand. The political stability in the country should push the animal spirits of the economy, while the higher capacity utilization and uptick in business expectations should increase investment activity in 2019-20. Accommodative monetary policy in the beginning of the year should help in decreasing real lending rates, more so, if the transmission mechanism improves. There are signs of continuing resolution of stressed assets in the banking sector as reflected in decline in NPA to gross advances ratio as on December 2018, which should push the capex cycle.

The performance of consumption will be crucial in deciding the growth path of economy. Rural wages growth which was declining seems to have bottomed out and has started to increase since mid-2018. Further growth in rural wages should help spur rural demand. Pick up in food prices should help in increasing rural incomes and spending capacity and hence rural consumption demand. PM-Kisan scheme was announced by the government to provide an income support of `6000/- per year to small and marginal farmer families having combined land holding/ownership of upto 2 hectares. The condition of minimum land holding has been subsequently removed to benefit all farmers. This cash transfer scheme will also increase the rural incomes.

The oil prices increased in 2018-19 by around 14 \$/bbl. However, oil prices are expected to decline in 2019-20 from the current level (based on the oil futures price for 2019-20). This should provide a positive push to consumption. However, downside risks to consumption remain. The extent of recovery in farm sector and farm prices will decide the push to rural consumption, which is also dependent on the situation of monsoon. The meteorological department has predicted that the rainfall over the country as a whole is likely to be near normal this year. This should lead to improvement in agriculture sector growth. However, according to IMD, some regions are expected to receive less than normal rains. This could prove to be detrimental for crop production in certain affected areas. If the impact of stress in the NBFC sector spills over to this year as well, it may lead to lower credit offtake from NBFCs, which may dampen growth in consumption spending.

Prospects of export growth remain weak for 2019-20 if status quo is maintained. However, reorientation of export policies to target countries/markets based on our own relative comparative advantage and the importing country's exposure to Indian goods can foster export performance. Under status quo, the outlook for the global economy is bleak in 2019, with most of the countries projected to slow down. The major threat facing the world economy is the increase in trade tensions between U.S. and China, which could lead to large disruptions in global value chains, outcome of Brexit and downside risk to China's growth. The lower global growth and the increased uncertainty about trade tensions may negatively affect export demand, including that of India's, which in turn will further lower GDP growth rates of several countries. On balance, the prospects of the economy should improve with growth of the economy expected to be 7 per cent in 2019-20.

(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR:

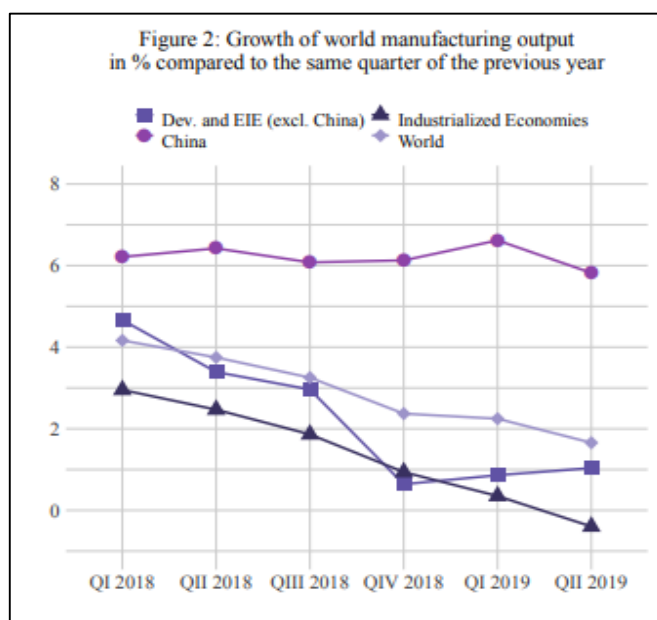
World Manufacturing Growth

World manufacturing output growth has been decelerating since 2018, and this trend has continued in the second quarter of 2019 amid escalating trade tensions between the United States and China, with manufacturing output growth down to a rate of 1.7 per cent following a rate of 2.2 per cent in the first quarter of the year. The

manufacturing sector which plays dominant role in global merchandise trade has been hit hard by tariffs and associated uncertainties.

Industrialized economies, which account for more than half of world industrial output, faced a contraction in the second quarter of 2019. Manufacturing output decreased by a mere 0.4 per cent, compared to the second quarter of 2018. North America’s manufacturing output rose by moderate 0.5 per cent, following a growth of 1.6 per cent in the preceding quarter, nearly entirely on account of weaker growth in the United States against the backdrop of fading fiscal stimulus from last year. Negative year-on-year growth rates were recorded for industrialized economies in Europe and East Asia (0.8 per cent and 1.3 per cent, respectively). China’s seasonally adjusted manufacturing output growth rose by 5.8 percent in the second quarter of 2019. This is the first time since UNIDO started compiling the quarterly index that China’s quarterly growth rate has dropped below the landmark figure of 6.0 per cent.

Data on the growth performance of developing and emerging industrial economies (excluding China) indicated a further tendency of stabilization at a low rate after the abrupt plunge in the fourth quarter of 2018. The respective year-on-year output growth rate in the second quarter of 2019 is estimated at 1.0 per cent, following 0.9 per cent in the first quarter of 2019 and 0.6 per cent in the fourth quarter UNIDO Statistics 6 Statistics for Quarter II, 2019 of 2018. However, several major manufacturers in this country group still seem to be struggling with generally difficult economic conditions.



Latin America observed an expansion of manufacturing output with a growth rate of 0.4 per cent compared to the second quarter of 2018. While in Argentina a deep recession was prolonged with a falling manufacturing output of 8.9 per cent, Mexico and Brazil, the region’s two largest manufacturers, witnessed positive year-on-year growth rates of 1.4 and 2.4 per cent, respectively. Brazil was able to return to the growth path, following two consecutive quarters of declining year-on-year output rates (minus 1.5 per cent in the first quarter of 2019 and minus 2.6 per cent in the fourth quarter of 2018). Estimates based on limited data indicate a positive growth rate of Africa’s manufacturing output at around 2.0 per cent. Developing economies in Asia and the Pacific recorded a year-on-year growth rate of 2.0 per cent in the second quarter of 2019, primarily a result of India’s increase in manufacturing output by 2.9 per cent, Indonesia’s by 3.8 per cent and Viet Nam’s by 6.8 per cent.

Among other developing economies, Poland’s manufacturing output rose by 4.6 per cent, while Turkey and Romania experienced negative growth on a year-on-year basis of 3.5 per cent and 2.6 per cent, respectively. For Romania this marked an end to a period of steady expansion lasting for almost a decade. Altogether, the developing countries group witnessed a decline in manufacturing output growth of 0.7 per cent compared to the second quarter of 2018.

In summary, the year 2018 began with major downturn risks caused by a new wave of protectionism, and UNIDO and other institutions like the OECD7 regularly pointed to uncertainties that could significantly affect the world economy. One year later, global momentum, especially in manufacturing industries, has weakened markedly and growth is set to remain subpar as trade tensions seem set to persist.

(Source: World Manufacturing Production- Statistics for Quarter II, 2019; United Nations Industrial Development Organisation - www.unido.org)

Industrialized economies

The manufacturing output growth of industrialized economies has been continuously declining over the last two quarters. According to UNIDO's most recent seasonally adjusted estimates, the second quarter of 2019 even showed a contracting manufacturing output for the first time after 14 consecutive quarters of expansion. Compared to the same period of the previous year, manufacturing production decreased 0.4 per cent in the second quarter of 2019, following a 0.4 per cent increase in the first quarter of 2019. A more detailed look at selected industrialized regions provides further insights.

North America's manufacturing output rose by moderate 0.5 per cent in the second quarter of 2019 compared to the same period of the previous year. In the United States manufacturing activity has slowed against the backdrop of fading fiscal stimulus. On a year-on-year basis, data show a modest increase of 0.4 per cent in the second quarter, following an expansion of 1.6 per cent in the first quarter of 2019 and 2.5 per cent in the fourth quarter of 2018.

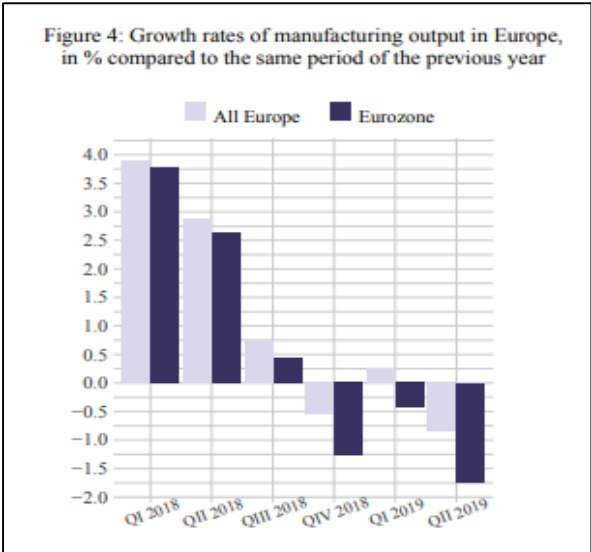
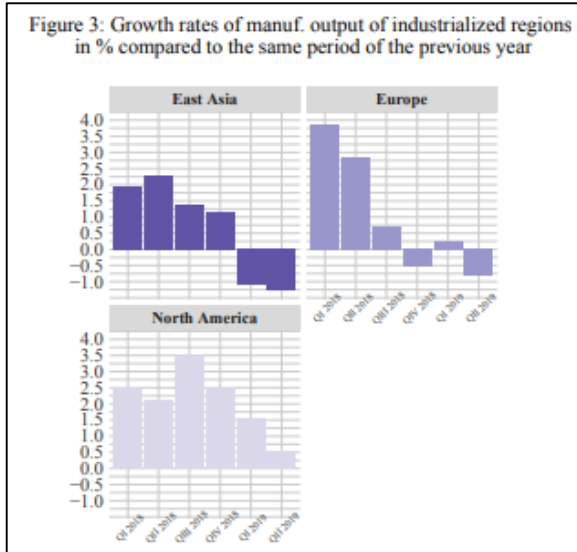
Shrinking manufacturing output was widespread among East Asia's industrialized countries, leading to a year-on-year decline of altogether 1.3 per cent. In addition to a contraction in Singapore's manufacturing output of 3.1 per cent, of 2.6 per cent in the Republic of Korea and of 0.6 per cent in Taiwan ROC, Japan, the largest manufacturer of the region, registered a negative growth rate of 1.2 per cent. Compared to the same period of the previous year, Hong Kong SAR and Malaysia were able to withstand this downward trend with growth rates of 0.9 per cent and 4.1 per cent, respectively.

European industrialized economies faced another plunge in manufacturing production in the second quarter of 2019 with the rate falling UNIDO Statistics 8 Statistics for Quarter II, 2019 by 0.8 per cent. The first quarter of 2019 was characterized by a temporary year-on-year expansion of 0.2 per cent following a decrease of 0.5 per cent in the fourth quarter of 2018. Experts once more point mainly to the proposed Brexit, as well as the Sino-U.S. trade frictions, that introduce uncertainty for businesses and negatively affect the economy of export-oriented countries when enterprises throttle production and investments. Disaggregated data on industrialized economies in Europe revealed a comparatively lower manufacturing output growth of eurozone countries.

Data for the second quarter of 2019 indicated a decline of manufacturing output in two leading eurozone economies. Manufacturing output in Italy fell by 1.5 percent, whereas Germany faced a decline at the rate of 5.0 per cent. The production of motor vehicles was one of the worst-affected sectors in both economies. By contrast, compared to the second quarter of 2018, France and Spain witnessed an expansion of manufacturing output by 1.0 per cent and by 1.4 per cent, respectively. Other eurozone economies also showed a mixed picture of growth. Compared to the same period of the previous year, manufacturing output in the second quarter of 2019 rose by 5.6 per cent in Lithuania, by 5.4 per cent in Estonia, by 4.6 per cent in Belgium and by 3.2 per cent in Finland and Slovenia, whereas manufacturing production growth fell in Austria, Malta, the Netherlands and Portugal.

Beyond the eurozone, manufacturing output rose in Denmark by 7.4 per cent, Hungary by 5.3 per cent, Sweden by 1.7 per cent and Czechia by 1.1 per cent. However, manufacturing output dropped in the United Kingdom by around 1.0 per cent. Uncertainty over Brexit has made trade relations between the United Kingdom and the European Union extremely vulnerable.

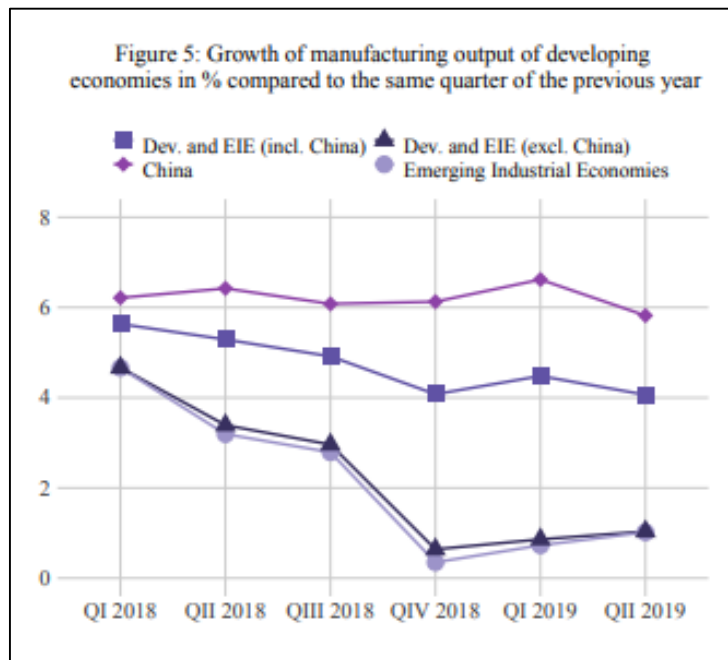
Among non-EU and other industrialized economies, year-on-year manufacturing output grew by 4.0 per cent in Norway, by 2.5 per cent in Belarus, by 1.9 per cent in the Russian Federation and by 1.1 per cent in Israel. Furthermore, Switzerland, one of the worlds most advanced economies, registered a growth rate of 5.3 per cent compared to the second quarter of the previous year on the back of a two-digit growth in chemical as well as pharmaceutical industries.



(Source: World Manufacturing Production- Statistics for Quarter II, 2019; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

Consistent with previous quarterly reports, China is presented separately from other country groups due to its size and the new characteristics of its economy, as the country’s extended high growth rate is rapidly transforming China into an industrialized economy.



China

Compared to the same period in the previous year, in the second quarter of 2019 China’s manufacturing output expanded at a rate of 5.8 per cent. This represents the lowest growth rate recorded across all the quarters covered by the seasonally adjusted UNIDO estimates (calculated index growth rates are available from 2006 onwards). Amid news of a de-escalation in the trade dispute between China and the United States at the end of 2018, the first quarter 2019 was characterized by improved year-on year growth figures (6.6 per cent following 6.1 per cent in the fourth quarter of 2018). However throughout the second quarter of 2019, there was less evidence regarding a quick resolution in the trade dispute. Intensified trade pressures since May 2019 might further

prompt some manufacturers to move capacity to neighbouring countries and rebuild supply chains outside of China. Regarding specific industries, basic metals (11.5 per cent) and computer electronics (10.5 per cent) continued to show high growth rates in the second quarter, while growth in machinery, another major industry in Chinese manufacturing, slowed to 3.7 per cent following a growth of 8.7 per cent in the first quarter of 2019.

Developing and emerging industrial economies (excl. China)

After an accelerated slowdown in manufacturing output growth in the last quarter of 2018, developing and emerging industrial economies showed a tendency to stabilize in the first as well as the second quarter of 2019, resulting in a slightly improved year-on-year growth rate of 0.9 per cent in the first and 1.0 per cent in the second quarter of the year after the plunge to 0.6 per cent in the fourth quarter of 2018.

The growth performance of Asia and the Pacific remained above this country group's UNIDO Statistics 10 Statistics for Quarter II, 2019 era and reached an overall 2.0 per cent compared to the same period of the previous year. A closer look at particular countries of this region shows a diverse picture. While the rate of India's, Indonesia's and Viet Nam's manufacturing output growth, at 2.9, 3.8 and 6.8 per cent respectively, contributed to the positive trend, Jordan, Thailand, Pakistan and the Philippines faced drops in their manufacturing output of 2.4, 2.5, 5.7 and 8.2 per cent respectively.

On a year-on-year basis, Latin America's manufacturing output moderately expanded by 0.4 per cent in the second quarter of 2019 following two consecutive quarter of declining manufacturing production (1.3 per cent in the fourth quarter of 2018 and 1.2 per cent in the first quarter of 2019). The region's two biggest manufacturers, Brazil and Mexico, contributed substantially to this return to the growth path, expanding by 2.4 per cent and by 1.4 per cent, respectively.

Compared to the second quarter of the previous year, growth estimates based on limited data for African countries generally indicated a rise in manufacturing output of 2.0 per cent. Among others, Egypt's and South Africa's manufacturing output expanded by 2.2 and 0.9 per cent respectively.

As regards other developing economies, the manufacturing output of Eastern European countries dropped by 0.7 per cent compared to the same period in the previous year. While manufacturing output rose by 4.6 per cent in Poland and 2.6 per cent in Greece, two other large economies in this country group experienced negative year-on-year growth. Compared to the same period of the previous year, Romania's manufacturing output fell by 2.6 per cent in the second quarter of 2019, representing a shrinking manufacturing output for the first time in the aftermath of the financial crisis of 2007-2009. Turkey, the region's largest manufacturer, had a negative growth rate for the third consecutive quarter. However, the year-on-year contraction of 3.5 per cent in the second quarter of 2019 represents the slowest pace since the begin of its currency crisis last year, following a decline of 7.7 in the fourth quarter of 2018 and of 5.2 per cent in the first quarter of 2019. It remains to be seen if this is already a substantial sign that the downturn in Turkey's manufacturing sector is coming to an end.

(Source: World Manufacturing Production- Statistics for Quarter II, 2019; United Nations Industrial Development Organisation - www.unido.org)

Findings by Industry Groups

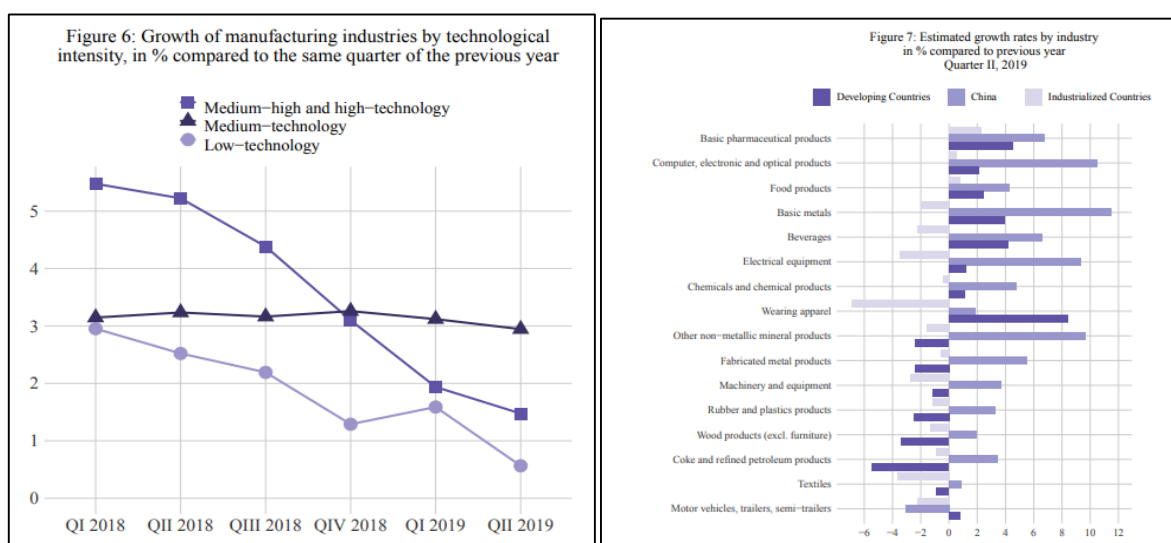
Industries grouped according to technological intensity have seen varied growth patterns in recent periods. Medium high- and high-technology industries had a significantly higher year-on-year growth rate, especially in the first half of 2018, and contributed substantially to overall economic performance. In the second quarter of 2019, the year-on-year growth rate is estimated at 1.5 per cent, down from 5.5 per cent in the first quarter of 2018. Despite a gradual decline throughout 2018, structural change represented by a shift towards high-technology manufacturing industries is evident and will play a key role in promoting innovation in the long term. Investment in new sustainable technologies continues to represent a major component in the generation of the innovation that is shaping the future of manufacturing in both advanced and emerging economies.

Figure 6 further illustrates the relative stability of the manufacturing output growth rates of medium-technology industries, inter alia comprising basic metals. Compared to the same period of the previous year, this industry group's overall output rose by 2.9 per cent in the second quarter of 2019. This is to a significant extent attributable to continued high growth of China, the world's largest producer of basic metals, where output

increased by 11.5 per cent compared to the second quarter of 2018. India, which according to the World Steel Association⁸ recently bagged the tag of world's second largest producer of crude steel from Japan, also expanded its year-on-year output of basic metals in the second quarter of 2019, with a two digit growth rate of 15.4 per cent.

Among other industries, wearing apparel expanded by 2.4 per cent in the second quarter of 2019 on a year-over-year basis. Wood products, paper products as well as coke and refined petroleum products, experienced negative growth rates compared to the same period of the previous year, falling by 0.8 per cent, by 0.9 per cent and by 1.1 per cent, respectively.

Figure 7 presents detailed growth rates for various industries by country groups. In the second quarter of 2019, only a few industries observed a positive year-on-year growth rate in all country groups, namely basic pharmaceutical products, and computer, electronic and optical products. Food products also registered a positive trend, showing a growth rate of 4.2 per cent in China, 2.4 per cent in other developing and emerging industrial economies and 0.8 per cent in industrialized countries. Additional data on growth rates during the second quarter of 2019 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter II, 2019; United Nations Industrial Development Organisation - www.unido.org)

MANUFACTURING SECTOR IN INDIA:

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up

manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

As per Labour Bureau's Quarterly Report on Employment Scenario, manufacturing sector added an estimated 89,000 jobs in the second quarter of 2017-18. Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US\$ 73.70 billion during April 2000-December 2017. India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- As of May 2018, The Chatterjee Group (TCG) is planning to set up a Continuous Polymerisation (CP) unit and a spinning unit, which will act as forward integrated units for its petrochemicals subsidiary MCPI.
- As of April 2018, Rallis India, a subsidiary of Tata Chemicals, is planning to undertake backward integration as its inputs have become costlier and the move will help the company to ease pressure on its profit margins.
- For its Commercial Vehicles, Ashok Leyland is utilising machine learning algorithms and its newly created telematics unit to improve the performance of the vehicle, driver and so on.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- As of March 2018, Government of India is in the process of coming up with a new industrial policy which envisions development of a globally competitive Indian industry.
- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US\$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the "Strategic Partnership" model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US\$ 1.5 billion).

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.0142 as on June 30, 2019

Notes: * - According to the Global Manufacturing Competitiveness Index published by Deloitte

(Source: *Indian Manufacturing Industry Analysis - India Brand Equity Foundation* - www.ibef.org)

CASTOR OIL MARKET: INTRODUCTION

Castor oil is a vegetable pressed oil derived from castor seeds which grow in *Ricinus communis*, a flowering species of the spurge family, Euphorbiaceae. Castor is a native plant of India and eastern Africa where castor oil is produced in large quantities. Castor oil is used in a wide variety of applications. The major use of castor oil is found in the industrial application where it is used for the production of paints, soap, cosmetics, varnishes, adhesives, lubricants etc. Castor oil is also used for the production of castor oil derivatives which again are valuable chemicals used for industrial application. The Asia Pacific region is estimated to contribute around 46.7% value share as it is the major consumer of castor oil in the world. Owing to the supply chain system and versatility in castor oil applications in the region, the demand for the castor oil is expected to grow significantly.

(Source: – Transparency Market Research (www.transparencymarketresearch.com))

CASTOR OIL: MARKET OUTLOOK

Production of hydrogenated castor oil has played a very crucial role in the cosmetic and chemical industry. The purpose of hydrogenation of castor oil is not only to improve the keeping qualities, taste and odor of the castor oil but also to raise the melting point of the oil. On the other hand, the use of Jamaican black castor oil has witnessed an upsurge in sales, owing to its unadulterated method of processing and its antifungal and antibacterial properties. Key players of castor oil market are anticipating strong performance in the Latin America castor oil market. Several manufacturers of castor oil are entering new markets through the acquisition of major regional players of castor oil, in order to enhance their product offerings and manufacturing facilities for castor oil. Moreover, companies are currently focusing on opening new innovation centers for castor oil in order to expand and boost their regional presence accordingly. Innovation and advancement to create a superior product from castor oil have been a vital strategy implementation by major companies. Companies in the castor oil market are investing significantly in research & development to gain competitive advantage and create novel applications.

(Source: – Transparency Market Research (www.transparencymarketresearch.com))

HIGH AVAILABILITY OF CASTOR SEEDS FOR PRODUCTION OF CASTOR OIL

Gujarat is a small geographic region in India, where the global production of global castor oil is concentrated. Factors such as subtropical climate conditions and labour-intensive cultivation methods are favouring the cultivation of castor seed and castor oil, which either way becomes a challenge for castor processors in the U.S. and Latin America. Approximately 73% of the castor oil produced in India is concentrated in Gujarat itself. According to data published by the Government of Gujarat, castor seed production in India increased by almost 10% to reach 1.5 million tonnes for the year 2016-17, which clearly signifies the fact that, the availability of castor seeds is in copious, resulting in large production of castor oil, which is anticipated to boost the overall growth of the castor oil market, globally.

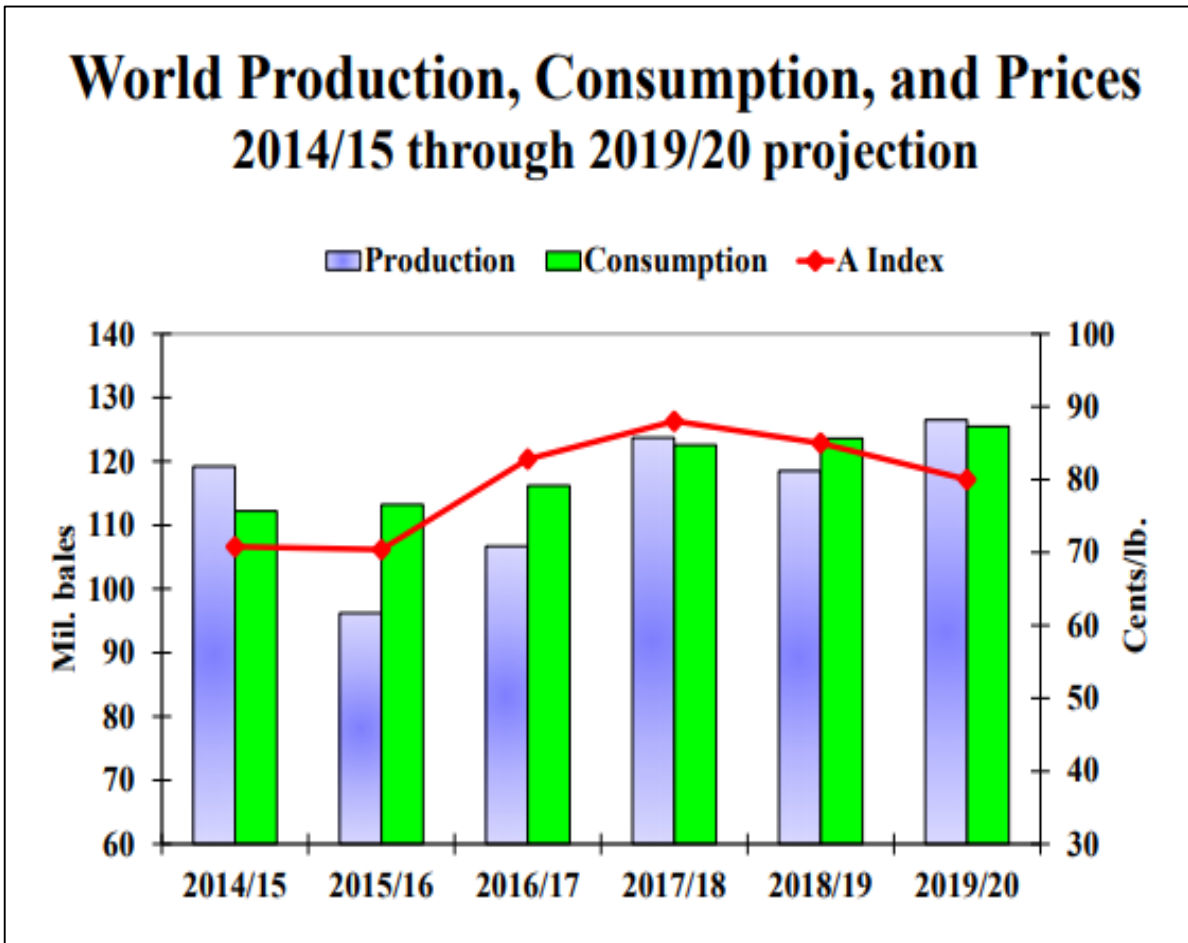
(Source: – Transparency Market Research (www.transparencymarketresearch.com))

RISE IN THE REQUIREMENTS FOR BIODIESEL TO BOOST THE DEMAND FOR CASTOR OIL

Being a clean-burning, biodegradable, and renewable fuel, the demand for biodiesel is increasing across the globe as a better replacement for petroleum or diesel. A majority of governments are encouraging the use of biodiesel as a substitute for conventional, air-polluting fuels such as petroleum and diesel. Owing to its ease of use, environmental benefits, increasing power generation applications, and government subsidies on biodiesel, the consumption and requirements of biodiesels have grown substantially across the globe. Biodiesel is produced by converting animal fats or castor oil into fatty acid methyl esters or FAME. FAME is referred to as biodiesel when it is used as a source of fuel in various applications. Due to a wide range of benefits and applications of biodiesel, its production and distribution has increased extensively, which will augment the demand for castor oil in the near future.

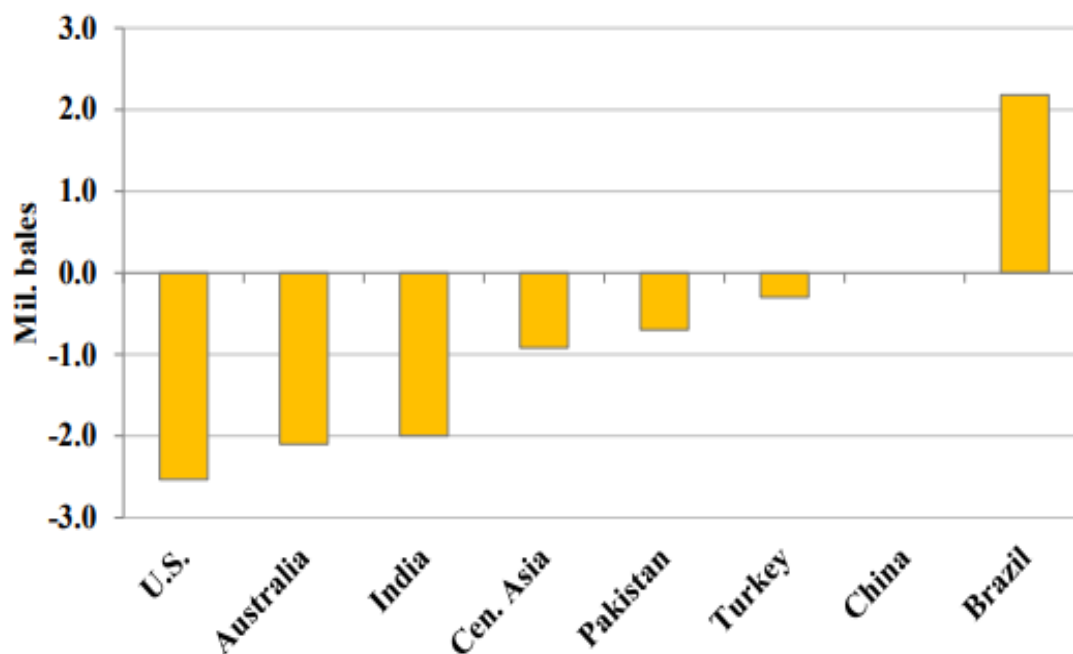
(Source: – Transparency Market Research (www.transparencymarketresearch.com))

GLOBAL COTTON INDUSTRY:



The U.S. Department of Agriculture’s (USDA’s) first 2019/20 world cotton projections anticipate that production will exceed consumption, raising world stocks slightly, by 1 million bales. World cotton production is expected to rise 6.8 percent with yields rebounding in a number of countries and area also rising. Global consumption is expected to continue growing, but at a rate slightly below its long-run average. It is expected that China will continue to gradually expand imports following years of significant limitations in import access applied to facilitate disposal of surplus government-held stocks. The A Index is forecast to decline by 5 cents to 80 cents per pound due to projected higher stocks outside of China. U.S. 2019/20 cotton production is expected to rise to 22.5 million bales, based on a slight increase in planted area, and sharply lower abandonment. Domestic mill use is projected marginally above the 2018/19 level, and exports are expected to rise, but ending stocks are also projected higher.

Estimated Changes in World Production, 2018/19 compared with 2017/18



Global 2018/19 cotton production is expected lower by 4.2 percent from the previous year to 118.5 million bales, as many major producing countries witnessed decreases excluding Brazil (up) and China (unchanged). The United States saw a 12.1-percent decrease with severe storms affecting yields and dry weather encouraging higher abandonment. Likewise, drought almost halved Australian production from the previous year as problems with precipitation also drove production down in most of Central Asia, India, Pakistan, and the United States. U.S. 2018/19 area harvested was down 5.1 percent to 4.3 million hectares with a yield of 939 kg/hectare, down 7.4 percent from a year earlier. China's 2018/19 crop is estimated at 27.5 million bales, unchanged from last season. Lower area outside of Xinjiang province is offset by an increasing share of cotton planted in Xinjiang, where yield is nearly twice the national average.

China's 2018/19 harvested area is estimated at 3.35 million hectares, 1.5 percent below 2017/18, while yield is expected to break the previous year's record at 1,787 kg/hectare, up 1.5 percent. India's 2018/19 production is estimated at 27 million bales, down 6.9 percent from the preceding year on lower area and yield. As a result, India's crop dropped below China's for the first time in five years. Harvested area is estimated at 12.3 million hectares, marginally down 1.6 percent from 2017/18 as below-average monsoon rainfall and pink bollworm infestation truncated harvesting. India's 2018/19 yield is estimated at 480 kg/hectare, down 5.3 percent from the Estimated Changes in World Production, 2018/19 compared with 2017/18 -3.0 -2.0 -1.0 0.0 1.0 2.0 3.0 Mil. bales previous season with deficient rainfall and pest infestation in the major cotton producing areas of Gujarat and Maharashtra.

**World Cotton Supply and Demand
2017/18 and 2018/19 est.**

| | <u>Unit</u> | <u>2017/18</u> | <u>2018/19</u> | <u>Change (%)</u> |
|------------------------------|-------------------|--------------------|--------------------|-------------------|
| Beg. Stocks | Mil. bales | 80.4 | 81.1 | 0.8 |
| Production | " | 123.7 | 118.5 | -4.2 |
| Imports | " | <u>40.9</u> | <u>42.3</u> | <u>3.4</u> |
| Total supply | " | 204.1 | 199.5 | -4.2 |
| Consumption | " | 122.6 | 123.6 | 0.9 |
| Exports | " | <u>40.9</u> | <u>42.3</u> | <u>3.4</u> |
| Total use | " | 123.1 | 124.0 | 0.8 |
| Ending stocks | " | 81.1 | 75.5 | -6.9 |
| Stocks-to-consumption | % | 66.1 | 61.1 | -7.6 |

World trade is expected to increase to 42.3 million bales in 2018/19, the highest level since 2012/13's record. A record crop in Brazil is driving its exports to a record-high, while import-dependent countries, such as Vietnam and Bangladesh, are also set to reach their highest level of imports. China imports are forecast to increase 31.0 percent, but the continued reduction in State Reserve stocks limits import opportunities. These import gains are expected to more than offset slower demand from Turkey and Pakistan. Brazil has witnessed greater exportable supplies with stagnating domestic demand and increasing production during the second crop (safrina) season. Despite Australian production decreasing 44.7 percent, exports are down only 8.1 percent to 3.6 million bales with significant carry-in stocks. West African countries' exports are set to be a record at 5.5 million bales with Benin, Mali, and Burkina Faso driving shipments and record production in Benin. This more than offsets a trend of lower exports in Central Asia with lower exportable supplies, and expanded domestic use in Uzbekistan.

World ending stocks are estimated to be the lowest in seven years at 75.5 million bales, down 6.9 percent from the previous year. Lower global production from the previous year coupled with higher consumption are the primary drivers. The largest decline in stocks is in China, as the country continues to deplete State Reserves. The decline there is estimated at 5.7 million bales from the previous year to 32.4 million bales, and Australia is the second largest decline with a 35.2-percent decrease from 2017/18 to 1.9 million. Stocks outside of China are marginally up 0.2 percent to 43.1 million bales, largely fueled by record production in Brazil.

(Source: USDA-United States Department of Agriculture www.usda.gov)

INDIAN COTTON INDUSTRY:

Cotton plays an important role in the Indian economy as the country's textile industry is predominantly cotton based. India is one of the largest producers as well as exporters of cotton yarn. The textile industry is also expected to reach US\$ 223 billion by the year 2021. The states of Gujarat, Maharashtra, Telangana, Andhra Pradesh, Karnataka, Madhya Pradesh, Haryana, Rajasthan, and Punjab are the major cotton producers in India.

Cotton yarn and fabrics exports accounts for about 23 per cent of India's total textiles and apparel exports. In 2017-18, India's cotton production was 34.86 million bales of 170 Kgs. Each. Between Apr-Oct 2018, total textile and clothing exports stood at Rs 1.52 trillion (US\$ 21.95 billion). Between Apr-Oct 2018, exports of

cotton raw including waste, cotton yarn, cotton fabrics and cotton made-ups grew by 26.01 per cent year-on-year to US\$ 6,893.05 million from US\$ 5,470.20 million during the same period last year.

(Source: Indian Cotton Industry Analysis – India Brand Equity Foundation – www.ibef.org)

INTRODUCTION TO INDIAN TEXTILE INDUSTRY:

The textile and apparel industry can be broadly divided into two segments - yarn and fibre, and processed fabrics and apparel. The domestic textile industry in India is estimated to reach US\$ 223 billion by 2021F from US\$ 150 billion in November 2017, while cotton production in India is have reached 36.1 million bales in FY19. ^ In FY19, growth in private consumption is expected to create strong domestic demand for textiles.#

Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. Cloth production stood at 58.1 billion square metres (provisional) in FY19P (up to Jan 19). India is the world's second largest exporter of textiles and clothing.

Textile and apparel exports from India are expected to increase to US\$ 82 billion by 2021. In FY19, India's textile and apparel exports increased 1.66 per cent to Rs 2,51,387 crore (US\$ 35.969 billion) as compared to Rs 2,47,277 crore (US\$ 35.381) in FY18. Manmade garments remain the largest contributor to total textile and apparel exports from India.

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Upgradation Fund Scheme (TUFS). Under Union Budget 2019-20, the government has allocated Rs 700 crore (US\$ 100.16 million) for Amended Technology Upgradation Fund Scheme (ATUFS). In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017. The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)'. The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunities and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018, it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 5,728 crore (US\$ 854.42 million). Cumulative FDI in the Indian textiles reached US\$ 31.2 billion between April 2000 to March 2019. Under Union Budget 2019-20, Government of India allocated around Rs 4,831.48 crore (US\$ 691.29 million) for the Ministry of Textiles. Integrated Wool Development Programme has been allocated Rs 29 crore (US\$ 4.14 million) under Union Budget 2019-20. The government has allocated Rs 20 crore (US\$ 2.86 million) for the Scheme for Integrated Textile Parks.

The National Handloom Development Programme will get Rs 456.80 crore (US\$ 65.35 million) and the Integrated Processing Development Scheme will get Rs 3.50 crore (US\$ 0.50 million). Khadi Express train will be run to create awareness about the Indian khadi.

The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent. As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.

Note: P - Provisional, ^ - during the cotton season from October 2018 to September 2019, # - India Ratings and Research.

(Source: Indian Textile Industry Analysis – India Brand Equity Foundation – www.ibef.org)

INDIAN TEXTILE INDUSTRY ANALYSIS:

Introduction

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion in FY18 and is expected to increase to US\$ 82.00 billion by 2021 from US\$ 31.65 billion in FY19 (up to Jan 19).

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The

decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Market Size

The Indian textiles industry, currently estimated at around US\$ 150 billion, is expected to reach US\$ 250 billion by 2019. India's textiles industry contributed seven per cent of the industry output (in value terms) of India in 2017-18. It contributed two per cent to the GDP of India and employs more than 45 million people in 2017-18. The sector contributed 15 per cent to the export earnings of India in 2017-18. The production of raw cotton in India is estimated to have reached 36.1 million bales in FY19[^].

Investment

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.12 billion during April 2000 to March 2018. Some of the major investments in the Indian textiles industry are as follows:

In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017. The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunities and attract investments worth Rs 800.00 billion (US\$ 11.93 billion) during 2018-2020. As of August 2018, it generated additional investments worth Rs 253.45 billion (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.
- As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018 it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022.
- Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.
- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.

Achievements

Following are the achievements of the government in the past four years: I-ATUFS, a web-based claims monitoring and tracking mechanism was launched on April 21, 2016. 381 new block level clusters were

sanctioned. 20 new textile parks were sanctioned. Employment increased to 8.62 million in FY18 from 8.03 in FY15.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

Exchange Rate Used: INR 1 = US\$ 0.0159 in FY19.

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau

Note: ^ - during the cotton season October–September

(Source: Indian Textile Industry Analysis – India Brand Equity Foundation – www.ibef.org)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward Looking Statements*” beginning on page 21 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the Section “*Risk Factors*” beginning on page 35 of this Prospectus for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this Section, unless otherwise stated, is derived from our Financial Information, prepared in accordance with Indian GAAP and Companies Act and restated in accordance with the SEBI Regulations. 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 the Sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 35 and 193 of Prospectus respectively.

Unless otherwise stated, all references in this Section to “Mangalam” or “the Company” or “our Company” or “we” or “our” or “us” are to Mangalam Global Enterprise Limited.

OVERVIEW:

Our Company was originally incorporated as “Hindprakash Colourchem Private Limited” as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The name of our company was changed to “Mangalam Global Enterprise Private Limited” pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 and a fresh Certificate of Incorporation dated July 31, 2014 was issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on September 17, 2019 and the name of our Company was changed to “Mangalam Global Enterprise Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

Incorporated in the year 2010, our Company Mangalam Global Enterprise Limited belongs to Ahmedabad based Mangalam group of Companies set up by Mangal Family and led by the vision of Mr. Vipin Prakash Mangal. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from castor oil to cotton products. We have been successfully catering to these two different sectors in our business operations.

We are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De-Oiled Cake and High Protein Castor De-Oiled Cake for the domestic market as well as for exports to international markets. We have also diversified our business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. We were engaged in the trading business before starting commercial manufacturing of our abovementioned products in the FY 2018-19. Company has one cotton processing unit at Harij, Gujarat and two well-equipped Castor processing units at Harij and Palanpur, Gujarat respectively for undertaking manufacturing operations of abovementioned two product segments. We are also engaged in the trading of Castor Seeds and Raw Cotton.

Castor oil is a yellow viscous liquid free from suspended matter and insoluble in water. It is produced by refining commercial grade Castor Oil after undertaking bleaching and filtering process. Castor oil has multiple industrial applications and is extensively demanded in Lubricants, Paints, Pharmaceuticals, Cable insulators, Sealants, Inks, Rubber and Textiles etc. It is also used to relief Constipation, Eyelashes grow, Hair grow, Skin moisturiser ad to improve immunity function. It is also used for applying on food grains to protect from the insects/fungus. Castor De-Oil Cake is fertilizer consisting of high content of Nitrogen, Phosphoric Acid, Potash and moisture

retention and it is also an organic fertilizer which can be used as alternatives to chemical fertilizer. It is simple manure, which acts progressively that encourages soil microbial activity. High Protein Castor De Oiled Cake is an organic manure which enhances the fertility of the soil without causing any damage or decay.

Our Castor oil manufacturing facilities situated at Harij and Palanpur, Gujarat are installed with automated machineries having crushing and processing capacity of 450 MT Castor Seeds per day at each facilities. The said manufacturing units are equipped with installed capacity of producing 225 MT Castor Refined Oil (F.S.G.) per day and 220 MT Castor De- Oiled Cake per day at each facilities. Both facilities also have solvent capacity of 200 MT.

Our journey in the Cotton Manufacturing Industry started in the year 2018. With gaining an insight of the industry coupled with an available opportunity, our Company ventured into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. The main application of ginned cotton referred to as lint is for spinning operations. The cotton moves through the Spinning machines and is then converted into Cotton yarn. Black cottonseeds are used as feed products for livestock and are also crushed into the Oil mill to extract oil (Cottonseed Oil).

Technology is a crucial aspect of the cotton industry. The level of advancement determines the productivity of machines and labour, which in turn, determines the production and profitability of our Company. Our technical team is equipped with modern ginning technology and processing techniques by virtue of which we are able to ensure quality output. At present, we have a manufacturing unit well equipped with requisite ginning and pressing machineries and with a processing capacity of 150 MT per day.

We have our Testing Laboratories within the premises of manufacturing units. Our manufacturing facility has fully equipped quality control department with experienced staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the relevant customers. All the products are being manufactured strictly as per quality norms using the expertise of our experienced team to provide quality output to our customers at competitive prices.

Our Company has marked its presence in both domestic as well as global markets. We supply our products in states such as Gujarat, Rajasthan, Delhi, Maharashtra, and West Bengal. In order to capture growing demand for Castor Oil in international market and to create a more responsive and cost-effective supply chain, we started our export operations. We export our products to countries such as Thailand, Oman.

The experience and trade relations developed by our promoters and management have been one of the key instrumental factors in the growth of our Company. We have 51% holding in Hindprakash Castor Derivatives Private Limited (HCDPL) and Farpoint Enterprise LLP (Farpoint), thus making them as our Subsidiary Companies. HCDPL is engaged in the business of manufacturing of castor oil, castor oil derivatives, edible and non-edible oils, oilseeds, oil cakes, kernels and by-products and trading of chemicals, dyes, dyestuff, colour chemicals & intermediates. Farpoint is engaged in the business of Manufacturing and trading of all types of articles, goods and commodities. We have recently started a separate business unit at Singapore by incorporating Wholly Owned Subsidiary – Mangalprakash (Singapore) PTE. Limited. It is engaged in the business of Whole Sale Trading of Goods. For further details of the same, please refer chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 152 of the Prospectus.

The promoters of our Company are Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. Our Promoters believe in the ideology of continuous improvement and development. Also, we believe role of a management team is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations.

We endeavour to satisfy customers by continuous improvement through process innovation and quality maintenance. We focus on producing quality product to increase customer satisfaction and develop a positive brand image in the industry. Our management and team has enable us to maintain continuing customer relations,

ensuring repeat order flows. We aim to grow our operations on PAN India basis and make our brand as a distinguished name in industry.

OUR LOCATIONAL PRESENCE:

Registered Office: 101, Mangalam Corporate House, 19/B Kalyan Society Near M.G. International School, Mithakhali Ahmedabad -380006, Gujarat, India

Manufacturing Facility:

Unit I – Cotton Unit - Survey No. 124 and 122, Harij - Kukrana Road, Village – Jaska, Taluka - Harij, District –Patan – 384240, Gujarat, India

Unit II – Castor Oil Unit - Survey No. 355/P1 and 355P1/1, Harij-Kukrana Road, Village – Jaska, Taluka - Harij, District –Patan, 384240, Gujarat, India

Unit III – Castor Oil Unit - Survey No. 175/P3/P2, Village – Jagana, Taluka - Palanpur, District –Banaskantha, - 385520, Gujarat, India

FINANCIAL SNAPSHOT:

Financial Snapshot of our Company as per Restated Standalone Financial Information is as under:

(Amount in Rs. Lakhs)

| Particulars | For period ended June 30, 2019 | FY 2018-19 | FY 2017-18 | FY 2016-17 |
|-----------------------------|-----------------------------------|--------------|--------------|--------------|
| Revenue from Operations | 14,570.98 | 32,949.72 | 2,689.36 | 268.51 |
| Total Revenue | 14,592.77 | 33,003.73 | 2,689.83 | 268.71 |
| EBITDA | 251.8 | 584.24 | 42.25 | 16.65 |
| EBITDA Margin (in %) | 1.73% | 1.77% | 1.57% | 6.20% |
| PAT | 105.38 | 216.97 | 25.90 | 9.41 |
| PAT Margin (in %) | 0.72% | 0.66% | 0.96% | 3.50% |

Financial Snapshot of our Company as per Restated Consolidated Financial Information is as under:

(Amount in Rs. Lakhs)

| Particulars | For period ended June 30, 2019 | FY 2018-19 |
|-----------------------------|-----------------------------------|--------------|
| Revenue from Operations | 14,627.89 | 38,980.52 |
| Total Revenue | 14,649.93 | 38,995.21 |
| EBITDA | 322.92 | 766.59 |
| EBITDA Margin (in %) | 2.20% | 1.97% |
| PAT | 102.11 | 227.31 |
| PAT Margin (in %) | 0.70% | 0.58% |

Note:

- EBITDA Margin = (Restated profit before tax + Finance Cost + Depreciation and amortization expense)/ Total Revenue;

2. PAT Margin = PAT/ Total Revenue

Activity wise break-up of our revenue as per Restated Financial Information is as under:-

(Amount in Rs. Lakhs)

| Particulars | For period ended June 30, 2019 | FY 2018-19 |
|----------------------|--------------------------------|------------------|
| Manufacturing | 13,835.39 | 18,044.00 |
| Trading | 592.25 | 14,247.91 |
| Total Revenue | 14,427.64 | 32,291.91 |

Geographical break-up of our revenue as per Restated Financial Information is as under:-

(Amount in Rs. Lakhs)

| Particulars | For period ended June 30, 2019 | FY 2018-19 |
|--|--------------------------------|------------------|
| Domestic Market | 13,968.51 | 31,981.72 |
| Export Market | 459.14 | 310.19 |
| Total Revenue from Sale of products | 14,427.64 | 32,291.91 |

Break-up of Domestic Sales - State wise is detailed as per Restated Financial Statements:-

(Amount in Rs. Lakhs)

| Sr. No | Name of States | For period ended June 30, 2019 | FY 2018-19 |
|--------|----------------|--------------------------------|------------------|
| 1 | Gujarat | 11,272.19 | 30,286.34 |
| 2 | Rajasthan | 7.94 | 7.35 |
| 3 | New Delhi | 2,525.32 | 1,688.03 |
| 4 | Maharashtra | 8.15 | - |
| 5 | West Bangal | 27.87 | - |
| | Total | 13,841.47 | 31,981.72 |

Break-up of Exports Country wise are detailed as Restated Financial Statements:-

(Amount in Rs. Lakhs)

| Sr. No | Name of Countries | For period ended June 30, 2019 | FY 2018-19 |
|--------|-------------------|--------------------------------|---------------|
| 1 | Thailand | 113.72 | 310.19 |
| 2 | Oman | 345.42 | - |
| | Total | 459.14 | 310.19 |

Break-up of our Revenue product wise as per Restated Financial Statements:-



(Amount in Rs. Lakhs)

| Sr. No | Name of Product Segment | For period ended June 30, 2019 | FY 2018-19 |
|--------|-------------------------|--------------------------------|------------------|
| 1 | Castor Oil | 13,177.05 | 28,626.52 |
| 2 | Cotton Bales | 304.49 | 323.79 |
| 3 | Cotton Seeds | 132.72 | 2,120.35 |
| 4 | DOC | 777.80 | 1,091.67 |
| 5 | Others | 35.57 | 129.59 |
| | Total | 14,427.64 | 32,291.91 |

OUR PRODUCTS AT MANUFACTURING UNIT I: (COTTON UNIT)

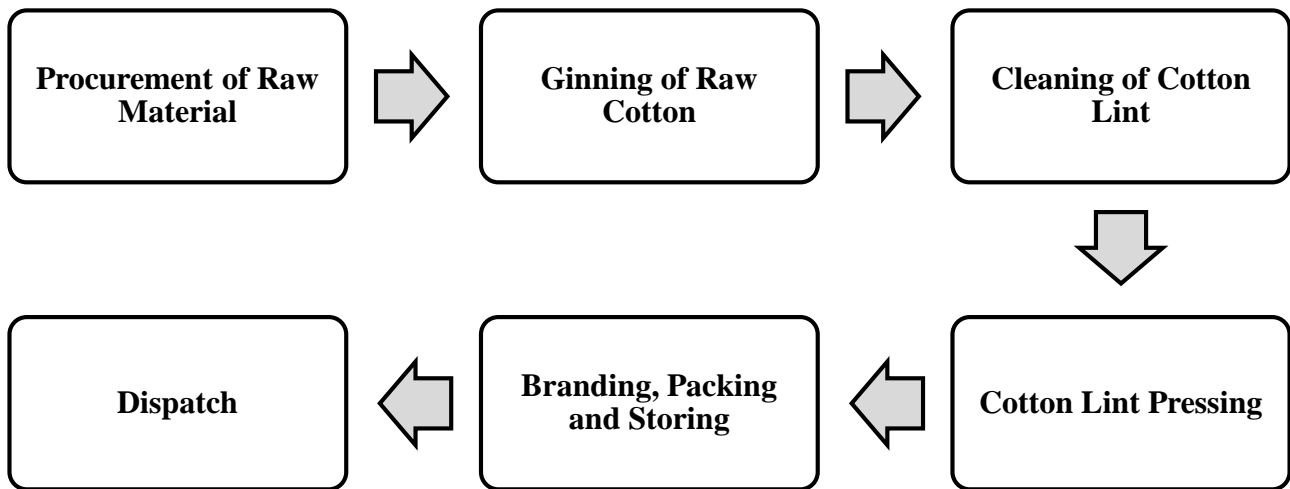
We manufacture Cotton Bales and Cotton Seeds at Manufacturing Unit I which is known as Cotton Unit. Ginning is the first process involved in processing cotton. Ginning mill separates cotton fibres from the seed bolls. These separated cotton lint is the raw material for spinning operations, where lint is converted to yarn.

We produce quality cotton in our fully automated Ginning and Pressing Unit located at Harij, Gujarat. The said plant is equipped with latest quality 42 Ginning and Pressing machineries capable of processing 150 MT of cotton per day. A brief description of our products is as follows:

| Product | Description |
|--|---|
| COTTON BALES/ LINT COTTON  | <p>Cotton Bales or Lint Cotton are obtained through the process of Ginning. The ginned fibre is pressed together and made into dense bales to be called as Cotton Bales. They are classified according to the parameters such as fibre length (staple), strength, micronaire, colour and cleanness.</p> <p>The main application of ginned cotton referred to as lint is for spinning operations. The cotton moves through the Spinning machines and is then converted into Cotton yarn.</p> |
| BLACK COTTON SEEDS/ DELINEATE COTTON SEEDS  | <p>Cottonseed is the seed of the cotton plant. Fibers grow from the seed coat to form a boll of cotton lint. The boll is a protective fruit and when the plant is grown commercially, it is stripped from the seed by ginning and the lint is then processed into cotton fibre.</p> <p>Black cottonseeds are used as feed products for livestock. They are also crushed into the Oil mill after removing lint from the cotton to extract oil (Cottonseed Oil).</p> |

MANUFACTURING PROCESS OF COTTON BALES AND COTTON SEED:

The manufacturing of Cotton bales and cotton seeds involves following steps:



Step 1: Procurement of Raw Material:

The major raw material for our manufacturing operation is Raw Kapas (Seed Cotton). Our production process starts with the procurement of raw cotton. This step involves identification of the vendor from whom the material is to be procured and the quantity of the material required. Once the Kapas is received from the vendor, it is tested for quality. The selection of raw material is based on factors like pricing, payment terms, availability, and quality of Kapas. Grading and mixing of the raw material received from the vendor is done to get the desired quality/customized product. Conveyors are used to feed the Kapas into the ginning machines.

Step 2: Ginning of Raw Cotton:

A Ginning machine uses the raw cotton (Kapas) received from the conveyors as Raw materials. Ginning is the first mechanical process involved in processing of cotton. Ginning mill separates cotton fibres from the seed bolls and dust particles. The first step in the ginning process is when the cotton is vacuumed into tubes that carry it to a dryer to reduce moisture and improve the fibre quality. The separation process involves equipment such as separator, feeding hopper and fan with tubular air ducts. Separation of cotton and cotton seed from cotton is done with double roller ginning machine.

Cottonseeds are separated from the lint during the ginning process. The separated cotton seeds are then transported out of the ginning Unit to the storage area and lint of cotton received from the ginning machine are transported for further cleaning process through conveyors.



Ginning



Cleaning

Step 3: Cleaning:

The lint cotton received from the ginning machine is sent for further cleaning through conveyor. This process involves cleaning of the impurities like leaf trash, sticks, and other foreign matters.

Step 4: Pressing:

Cotton fibres are pressed to Bales by using the Hydraulic pressing machine. This step involves pressing of Lint cotton. In this process Lint cotton is used as Raw materials. After pressing, the bale is tightened and covered fully with cloth, after which the bale is weighed and kept safely.

Step 5: Branding, Packaging and Storing:

Cotton bales are then covered by protective cloth. Label of the company along with the serial number and batch number are affixed on the bales. The packed and labelled bales are then stored on platform for dispatch. Cotton seeds are sold to customers generally packed in sacks. Packed seeds are then stored on platform for dispatch.



Cotton Bales



Cotton Seeds

Step 6: Dispatch


The stored bales and Cotton Seeds are dispatched for delivery through trucks from the storage area depending upon the orders received from the customers.



Raw Materials: Raw Cotton is the major raw material required in the manufacturing of Cotton Bales and Cotton Seeds. We source required raw material from domestic market.

End users of Cotton Bales and Cotton Seeds: We supply Cotton bales and Cotton Seeds to Brokers, Merchant Exporters, Distributors related textiles and in certain cases to the Textile Manufacturers.

OUR PRODUCTS AT MANUFACTURING UNIT II AND UNIT III: (CASTOR OIL UNIT):

We manufacture Refined Castor Oil First Stage Grade (F.S.G.), Castor De-Oiled Cake and High Protein Castor De-Oiled Cake at our manufacturing unit situated at Harij and Palanpur, Gujarat. These manufacturing facilities are installed with high end automated machineries having crushing and processing capacity of 450 MT Castor Seeds per day at each facilities. The said manufacturing units are equipped with installed capacity of producing 225 MT Castor Refined Oil (F.S.G.) per day and 220 MT Castor De- Oiled Cake per day at each facilities. Both facilities also have solvent capacity of 200 MT.

| Product | Description | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|------------|---------------|------------|------------------------------------|----------|-----------|-------------------|-----------|------------|--------|----------------|-----------|--------------|---------|----------------------|-----------|-----------------------|---------|-------------------------------------|---------------|-------------------------------------|-----------------|------------|---|
| <p><u>REFINED CASTOR OIL FIRST STAGE GRADE (F.S.G.)</u></p>  | <p>F.S.G. Castor Oil is Castor Oil bleached to British Standard Specifications. Castor oil is a yellow viscous liquid free from suspended matter and insoluble in water. It is produced by refining commercial grade Castor Oil after undertaking bleaching and filtering process. Bleaching process is carried out using bleaching earth and activated carbon, which helps to reduce colour and moisture content in the final product. It is used in Lubricants, Paints, Pharmaceuticals, Cable insulators, Sealants, Inks, Rubber and Textiles etc. It is also used to relief Constipation, Eyelashes grow, Hair grow, Skin moisturiser ad to improve immunity function. It is also used for applying on food grains to protect from the insects/fungus.</p> <p><u>Specification of Refined Castor Oil</u></p> <table border="1" data-bbox="795 742 2027 1340"> <thead> <tr> <th>Parameters</th> <th>Specification</th> </tr> </thead> <tbody> <tr> <td>Appearance</td> <td>Pale Yellow, Viscous, Clear Liquid</td> </tr> <tr> <td>Moisture</td> <td>0.25% Max</td> </tr> <tr> <td>F.F.A. (as oleic)</td> <td>0.80% Max</td> </tr> <tr> <td>Acid Value</td> <td>2% Max</td> </tr> <tr> <td>Hydroxyl Value</td> <td>160 – 163</td> </tr> <tr> <td>Iodine Value</td> <td>82 – 90</td> </tr> <tr> <td>Saponification Value</td> <td>177 – 185</td> </tr> <tr> <td>Unsaponifiable Matter</td> <td>1.0 Max</td> </tr> <tr> <td>Specific Gravity @30⁰ C</td> <td>0.945 – 0.960</td> </tr> <tr> <td>Refractive Index @40⁰ C</td> <td>1.4700 – 1.4740</td> </tr> <tr> <td>Solubility</td> <td>Complete Soluble in Alcohol without turbidity</td> </tr> </tbody> </table> | Parameters | Specification | Appearance | Pale Yellow, Viscous, Clear Liquid | Moisture | 0.25% Max | F.F.A. (as oleic) | 0.80% Max | Acid Value | 2% Max | Hydroxyl Value | 160 – 163 | Iodine Value | 82 – 90 | Saponification Value | 177 – 185 | Unsaponifiable Matter | 1.0 Max | Specific Gravity @30 ⁰ C | 0.945 – 0.960 | Refractive Index @40 ⁰ C | 1.4700 – 1.4740 | Solubility | Complete Soluble in Alcohol without turbidity |
| Parameters | Specification | | | | | | | | | | | | | | | | | | | | | | | | |
| Appearance | Pale Yellow, Viscous, Clear Liquid | | | | | | | | | | | | | | | | | | | | | | | | |
| Moisture | 0.25% Max | | | | | | | | | | | | | | | | | | | | | | | | |
| F.F.A. (as oleic) | 0.80% Max | | | | | | | | | | | | | | | | | | | | | | | | |
| Acid Value | 2% Max | | | | | | | | | | | | | | | | | | | | | | | | |
| Hydroxyl Value | 160 – 163 | | | | | | | | | | | | | | | | | | | | | | | | |
| Iodine Value | 82 – 90 | | | | | | | | | | | | | | | | | | | | | | | | |
| Saponification Value | 177 – 185 | | | | | | | | | | | | | | | | | | | | | | | | |
| Unsaponifiable Matter | 1.0 Max | | | | | | | | | | | | | | | | | | | | | | | | |
| Specific Gravity @30 ⁰ C | 0.945 – 0.960 | | | | | | | | | | | | | | | | | | | | | | | | |
| Refractive Index @40 ⁰ C | 1.4700 – 1.4740 | | | | | | | | | | | | | | | | | | | | | | | | |
| Solubility | Complete Soluble in Alcohol without turbidity | | | | | | | | | | | | | | | | | | | | | | | | |

| Product | Description |
|---|---|
| <p data-bbox="203 256 533 284">CASTOR DE-OIL CAKE</p>  | <p data-bbox="786 256 2031 456">Castor De-Oil Cake is produced by crushing castor seeds in expeller to extract oil from it in a control temperature with help of steam. The residue of expeller process is further processed in solvent extraction plant to remove oil from it. Castor De-Oil Cake is an excellent fertilizer because of high content of Nitrogen, Phosphoric Acid, Potash and moisture retention and it is also the prominent organic fertilizer can be used to as alternatives to chemical fertilizer. It is simple manure, which acts progressively that encourages soil microbial activity.</p> |
| <p data-bbox="203 646 763 707">HIGH PROTEIN CASTOR DE-OILED CAKE</p>  | <p data-bbox="786 646 2031 778">High Protein Castor De Oiled Cake is an organic manure which enhances the fertility of the soil without causing any damage or decay. It is enriched with the three big elements vital and conducive to the proper growth of crops - Nitrogen, Phosphorus and Potassium. It also has traces of nutrients like Manganese, Zinc and Copper, thus making it a balanced fertilizer. It has high nutritional value and rich in proteins.</p> |

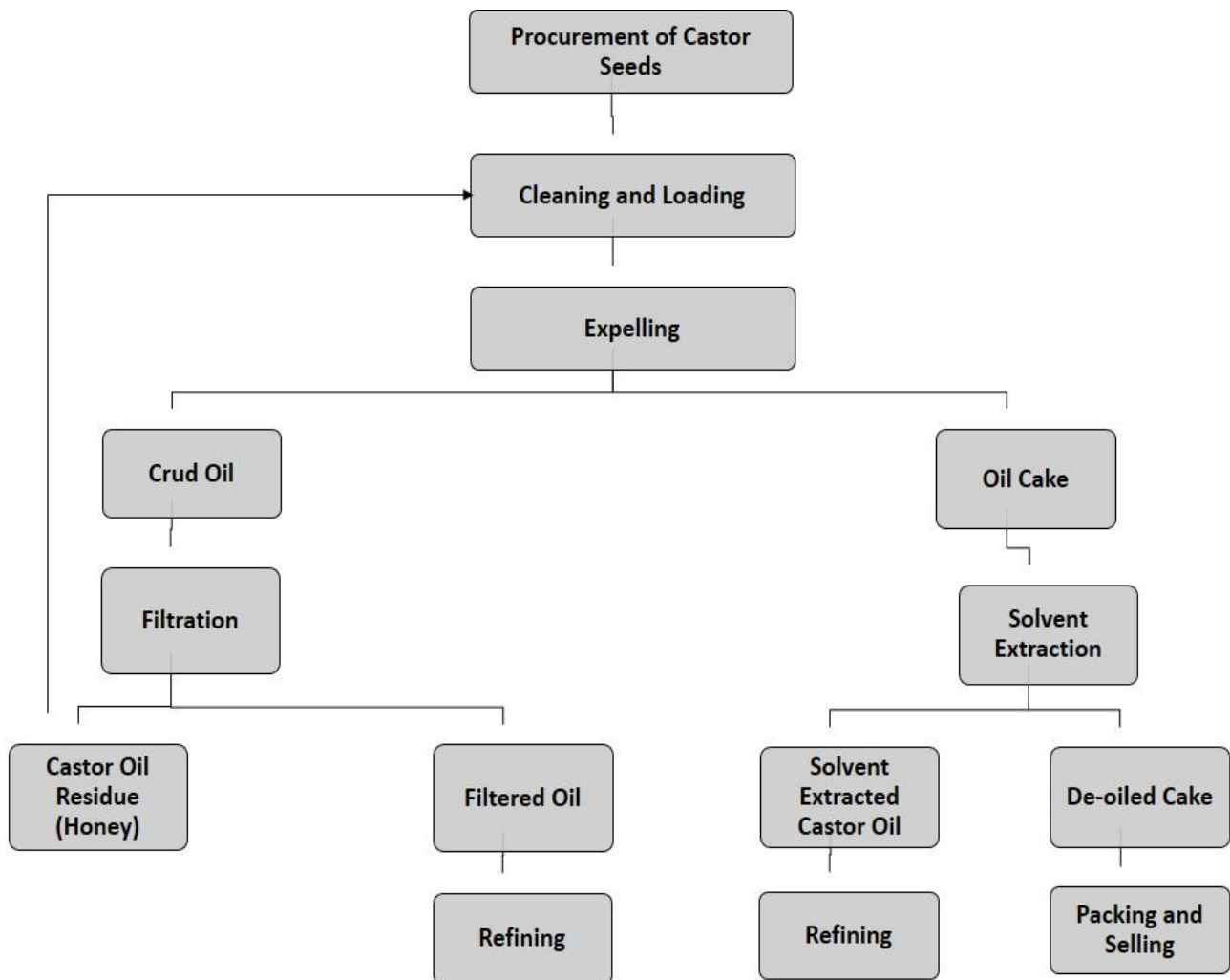
Note: The Commercial Production is yet to start at Unit III

Raw Materials: Major raw material required for manufacturing Refined Castor Oil and Castor De Oiled Cake is Castor Seeds which we procure from domestic market.

End Users: We supply Refined Castor Oil and De-oil Cake to Brokers, Distributors Merchant Exporters and in certain cases to manufacturers.

MANUFACTURING PROCESS OF REFINED CASTOR OIL AND CASTER DE OIL CAKE:

The manufacturing process of refined castor oil is divided into two different activities namely Extraction of oil and Refining of oil.



1. Extraction of Oil:

The oil is extracted from the Castor Seeds through two different process as follows:

a. Pressing:

The castor seeds are fed into a series of expellers consisting of heavy screws working in strong cages. In this process, the seeds are warmed in a steam-jacketed press to remove moisture, and this hardening process will aid in extraction. The cooked seeds are then dried before the extraction process begins. A continuous screw is used to crush the castor oil seeds to facilitate removal of the oil. The machine used in this process is called expeller.

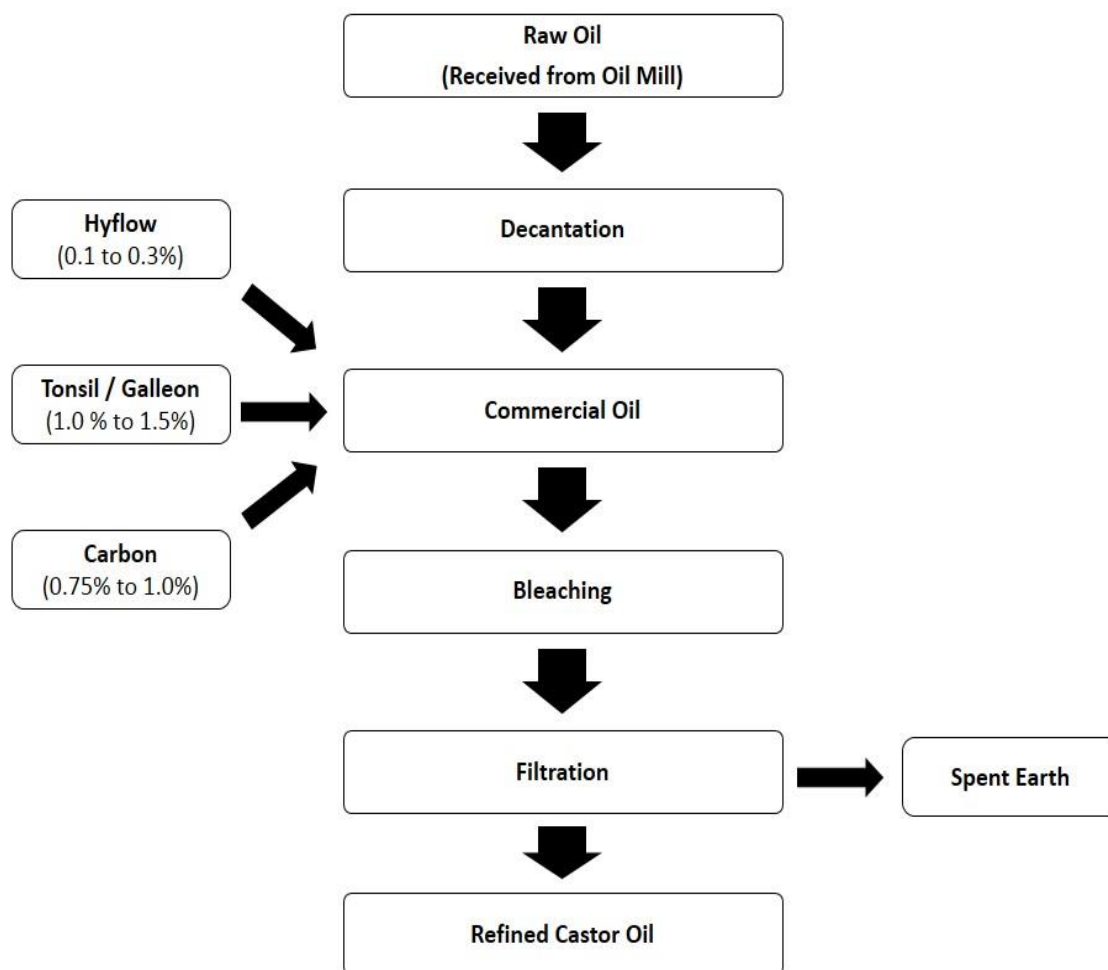
b. Solvent Extraction:

The process in brief constitutes treating the pressed castor seeds cake with solvent hexane resulting in a solution of solvent and oil. The said solution is further subjected to distillation and stripping to separate the oil and the solvent. The extracted meal containing solvent is made free from its solvent contents by a process called desolventisation and the solvent in vapor form from distillation, oil stripping and meal desolventisation is condensed in condensers, collected and reused for further process.

2. Refining of Oil:

Following extraction of the oil through the use of a press, there still remain impurities in the extracted oil. To aid in the removal of the remaining impurities, filtration systems are usually deployed. The filtration systems are able to remove large and small size particulates, any dissolved gases, acids, and even water from the oil. The filtration system equipment normally used for this task is the filter press. Such purified oil is called Castor Crude Oil. The Castor Crude Oil is then refined by “Decantation”, “Bleaching” and “Filtering”

PROCESS FLOWCHART FOR PRODUCTION OF REFINING OF CASTOR OIL:



The first step in the castor oil refining process, called decantation, which is used to reduce the phosphatides and the metal content of the crude oil. Depending upon the quality of Commercial Oil and Final Product required, dosage of Tonsil, Carbon and Hyflow is provided to the raw oil. The resulting product after such dosages is called Commercial Oil.

Castor Oil is used for many applications where the final product’s appearance is extremely important. Hence an adsorption process called “bleaching” can be used to remove unrequired colour pigments and remaining phospholipids, using activated earths under moderate vacuum conditions.

Upon completion of Bleaching process the bleached solution is sent for filtration where the purified Castor oil is separated from the residues of the bleaching process called “Spent Earth”. The Spent Earth is a waste produce and the same is discarded from the manufacturing unit.

The purified castor oil after filtration is called “Refined Castor Oil”. The said oil is stored in the tank and depending upon the orders received, the same is dispatched to the client through trucks.

PROCESS OF PRODUCTION OF CASTOR FILTER OIL AND DE-OILED CAKE:

The Castor seeds are first fed into a series of expellers consisting of heavy screws working in strong cages. They are first cooked in steam-jacketed press and then the cooked castor seeds are squeezed with high pressure. In this pressure, the oil is squeezed out through the slits in the cage. Such squeezed oil is called crude oil. The seeds which are pressed into cakes are called oil cakes. Such Oil Cakes contain about 7% to 8 % oil. Oil Cakes are discharged through the cage from the Expeller.

The oil cake is further sent to solvent extraction plant. The oil cake is fed into extractor where it is treated with low boiling petroleum solvent called normal hexane. The hexane dissolves the oil from the cake forming a solution and the oil content of cake is reduced. The solution of oil in hexane is distilled in specially designed distillation equipment under vacuum to evaporate the solvent from the oil. The oil thus separated is stored in the tank and then sent for refining.

The crude oil extracted out of the press is then sent for filtering where the impurities like castor seeds residues are removed from the crude oil. Such extracted castor oil residues are called honey. This honey contains oil upto 45%. Such retrieved honey is mixed with new bulk of the seeds to be loaded in the expeller for further process.

Castor seeds cakes are the solid matter that remains once oil has been extracted and pressed from Castor seeds by using “Oil Expellers Machines”, these “De-oil cake or cotton seed cakes”, are widely used in the industry for feeding cattle or as fertilizers. The left out residual oil cake in the expeller is further completely recovered through solvent extraction process. The De-oiled Cake is further packed and sold in the market.

OUR COMPETITIVE STRENGTHS:

Experienced Management Team:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoter Vipin Prakash Mangal leads the company with his vision. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies.

We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our technical operations at manufacturing facility are being managed by experienced personnel and supervisors who are well versed with our Industry and business undertaken by our Company. We are dedicated to the development of the expertise of employees and continue to invest in them to ensure that they have the necessary training required to be successful in today’s challenging environment. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

Quality Control and Quality Assurance:

We believe that quality is an ongoing process of building and sustaining relationships. We have the practice of testing the products for quality before they are dispatched to the customers and have the quality control department which looks after the quality, strength and the durability of the products. All the products are being manufactured strictly as per quality norms using the expertise of our experienced team. Our commitment of providing quality products is boasted by our industry knowledge. Our manufacturing facility has fully equipped quality control department with experienced and qualified staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the relevant customers.

Diversified business model and customer base:

In this dynamic and extremely competitive environment, we have developed a diversified business model with our offerings ranging from cotton to castor oil. We have been successfully catering to these two different sectors in our operations. Our revenue mix also signifies that we have been able to maintain a market in our products. Such diversified business model reduces our dependency on a particular industry and ensures flow of revenues throughout the year. Further a diversified business model gives us a competitive edge over the peers. Also we serve a diverse mix of end markets across industry. We believe that our differentiated product offerings has enables us to build a sustainable business model which is reflected in our growth in revenue.

Scalable Business Model:

We believe that our business model is scalable. Our Business model is customer centric and order driven, and requires optimum utilisation of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets both domestic and international by exploring customer needs and by maintaining the consistent quality output.

OUR BUSINESS STRATEGIES:

We envisage long term growth by supplying qualitative products and building long term relations with customers. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business. We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:

Increase our Global Presence through Exports:

Our Company has marked its presence in both domestic as well as global markets. In order to cater increasing demands for Castor oil and to capitalize on the opportunities in the international market, Our Company has decided to foray into export operations. We have recently started exporting our Castor products to countries such as Thailand, Oman. As per the restated standalone financial information of the Company, our revenues from exports are Rs. 459.14 Lakhs for the period ended on June 30, 2019 and Rs. 310.19 Lakhs in the FY 2018-19. Our growth strategy for exports will vary from country to country. We may either form important relationships with companies with strong local presence or alternatively appoint local distributors through which we can undertake our business.

Leveraging our market skills and relationship:

The business of our Company is customer oriented and always strives to maintain good relationship with the customers. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. Our Company provides quality products and effective follow-ups with customers who ensure that the customers are satisfied with the product and do not have any complain.

Improving functional efficiency through technology enhancements:

We understand curtailing cost without compromise on quality is an important factor to be considered. We intend to improve efficiencies to achieve cost reductions and which will give us a competitive edge over our peers. We believe that this can be achieved through detailed analysis of our processes and continuous process improvement along with keeping pace with technology development. We continue to develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing and expanding our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control.

Brand image:

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

SWOT ANALYSIS:

| Strengths | Threats |
|--|---|
| <ul style="list-style-type: none">• Experienced Management• Diversified Business• Locational Advantage | <ul style="list-style-type: none">• Increasing Competition• Foreign Currency Fluctuations• Changes in Government Policies |

| | |
|--|---|
| <p>Weaknesses</p> <ul style="list-style-type: none"> • Working Capital Intensive Business • Timely Availability of Raw Materials • Labour Intensive business | <p>Opportunities</p> <ul style="list-style-type: none"> • Enhancing operational efficiency • Exploring Export Market • Achieving Scale of Business Operations |
|--|---|

CAPACITY AND CAPACITY UTILISATION:

Our Company deals into manufacturing of Refined Castor Oil F.S.G., Castor De-Oiled Cake and High Protein Castor De-Oiled Cake for Industrial use. It is also engaged in the manufacturing of Cotton Bales and Cotton Seeds.

We started commercial manufacturing of our abovementioned products in the FY 2018-19. The production and utilisation capacities of our Company for these products are set forth in the following table:

Details of capacity utilization- Product-wise utilization:

| Product Category | Capacity Utilization | |
|--|--------------------------------|----------|
| | For period ended June 30, 2019 | 2018-19 |
| Refined Castor Oil F.S.G. | | |
| Installed Capacity (MT Per Year) | 1,64,250 | 1,27,750 |
| Actual Production (MT Per Year) | 11,354 | 15,837 |
| Castor De-Oiled Cake | | |
| Installed Capacity (MT Per Year) | 80,300 | 73,000 |
| Actual Production (MT Per Year) | 16,296 | 20,288 |
| High Protein Castor De-Oiled Cake | | |
| Installed Capacity (MT Per Year) | 7,300 | - |
| Actual Production (MT Per Year) | 323 | - |
| Cotton Bales | | |
| Installed Capacity (MT Per Year) | 18,700 | 18,700 |
| Actual Production (MT Per Year) | - | 550 |
| Cotton Seeds | | |
| Installed Capacity (MT Per Year) | 36,050 | 36,050 |
| Actual Production (MT Per Year) | - | 894 |

Notes:

- 1) Our business is seasonal in nature as the manufacturing activities are dependent on availability of Castor Seeds and Raw Cotton.
- 2) We started commercial manufacturing of our abovementioned products in the FY 2018-19. Thus the capacity and capacity utilization details are mentioned for FY 2018-19 and for the period ended June 30, 2019.
- 3) The Commercial Production is yet to start at Unit III
- 4) We started manufacturing of High Protein Castor De-Oiled Cake in the FY 2019-20.

LIST OF MAJOR PLANT AND MACHINERY:

As on date of this Prospectus, we have following major Plant and Machineries at our Manufacturing facilities Unit wise:

Cotton Unit – Unit I

| Sr. No. | Plant & Machinery | Quantity |
|---------|-------------------------------|----------|
| 1. | 150 TPD Delinting Line | |
| | Ginning Machines | 42 |
| | Bailing Press | 1 |
| | Lint Cleaner | 1 |
| | Seed Cleaner | 2 |
| | Mote Machines | 2 |
| | Elevators | 4 |
| 2. | Weighbridge 50 MT Capacity | 1 |

Castor Oil Unit – Unit II

| Sr. No. | Plant & Machinery | Quantity |
|---------|-------------------------------------|----------|
| 1. | Oil Expellers | 10 |
| 2. | Reddler Conveyers | 7 |
| 3. | Refinery | |
| | Filters | 4 |
| | Bleacher | 1 |
| | Decanter | 2 |
| 4. | Solvent Extraction (400 TPD) | |
| | Extractor | 1 |
| | Drier Toaster | 1 |
| | Distillation System | 1 |
| | Condensing System | 2 |
| | Miscellaneous Tanks | 4 |
| | Hexane Tank | 1 |
| | Cooling Tower | 1 |
| | Oil Heater | 1 |
| | Flasher | 1 |
| 5. | Separator Machines | |
| | Separator | 1 |
| | Vessels | 2 |
| | Water Tanks | 3 |

| Sr. No. | Plant & Machinery | Quantity |
|---------|---|----------|
| | Soap Tank | 1 |
| 6. | Neutralizers | 3 |
| 7. | Soap Tank | 1 |
| 8. | Oil Tank for Miscellaneous use | 1 |
| 9. | Boiler | 1 |
| | Chimney | 1 |
| | Tank | 1 |
| 10. | RO Plant with 8000 Litres Per Hour Capacity | 1 |
| 11. | DOC High Protein Plant Separators | 3 |
| 12. | Transformer | 2 |
| 13. | Loader Tractor Machine | 2 |
| 14. | Oil Storage Tanks | 4 |

Castor Oil Unit – Unit III*

| Sr. No. | Plant & Machinery | Quantity |
|---------|-------------------------------------|----------|
| 1. | Silo 5000 MT capacity automated | 1 |
| 2. | Oil Expellers | 5 |
| 3. | Conveyers | 4 |
| 4. | Refinery | |
| | Filters | 2 |
| | Bleacher (blaze type) | 4 |
| | Decanter | 1 |
| | Tanks 500 MT | 2 |
| 5. | Solvent Extraction (400 TPD) | |
| | Extractor | 1 |
| | Drier Toaster | 1 |
| | Distillation System | 1 |
| | Condensing System | 1 |
| | Miscellaneous Tank | 1 |
| | Hexane Tank | 1 |
| | Cooling Tower | 1 |
| | Oil Heater | 3 |
| | Flasher | 1 |
| 6. | Separator | 1 |
| | Vessel | 1 |

| Sr. No. | Plant & Machinery | Quantity |
|---------|--|----------|
| | Water Tank | 1 |
| | Soap Tank | 3 |
| 7. | Neutralizer | 4 |
| | Soap Tank | 1 |
| | Oil Tank For Miscellaneous | 1 |
| 8. | Boiler | 2 |
| | Chimney | 1 |
| | Tank | 1 |
| 9. | RO Plant with 9000 Ltr Per Hour Capacity | 1 |
| 10. | Transformer | 1 |
| 11. | Loader Tractor Machine | 1 |
| 12. | Oil Storage Tank | 5 |

**Note: The Commercial Production is yet to start at Unit III*

COLLABORATIONS/ TIE UPS/ JOINT VENTURES:

As on date of this Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures.

EXPORT AND EXPORT OBLIGATIONS:

As on date of this Prospectus, our Company does not have any export obligations Export Promotion Capital Goods Scheme (EPCG) or any other scheme of Government of India.

HUMAN RESOURCES:

We believe that our employees are the Key contributors to our business success. We focus on training and retaining the employees. We look for best possible talent with specific qualifications, interests, experience and background. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety.

As on June 30, 2019 we have 122 employees at Manufacturing Facility and Registered Office. These employees look after our manufacturing operations including production, quality controls, technical services, stores and administration and also marketing, accounting, secretarial and other functions. Apart from these we also use contract labour services and employ temporary labours on need basis.

Department wise bifurcation of our employees are as under:-

| Department | No. of Employees |
|-------------------------------|------------------|
| Senior Management | 20 |
| Finance & Accounts Department | 15 |
| Human Resource Department | 1 |
| Sales & Marketing | 4 |
| Purchase Department | 2 |
| Legal & Compliance | 2 |
| Support Staff / Labour | 78 |
| Total Employees | 122 |

COMPETITION:

Our Company operates in the sector which faces competition from domestic as well as international players. Competition emerges from both organized and unorganized sector. With the global demand for our products, there is a growth in the competition level amongst the companies to market in a much faster and more cost effective manner. The primary competitive factors consist of quality, price, size of product portfolio and customer service. Moreover, as we seek to diversify into new geographical areas globally, we may face competition local companies, multinational corporations and companies from other emerging markets operating in such markets. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

SALES AND MARKETING:

The efficiency of the sales and marketing network is critical to success of our Company. Our success lies in the strength of our relationship with the clients who have been associated with our Company. Our team through their experience and good rapport with these clients owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform for our Company. To get repeat orders from our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

TOP 5 CUSTOMERS:

Our top 5 customers for the FY 2018-19:-

(Amount in Rs. Lakhs)

| Sr. No. | Customer Name | Amount | % of Total Revenue |
|---------|---|----------|--------------------|
| 1 | Adani Wilmar Limited | 8,807.21 | 26.78% |
| 2 | Kandla Agro And Chemicals Private Limited | 4,706.43 | 14.31% |
| 3 | D.R. Commodities Private Limited | 4,459.53 | 13.56% |
| 4 | Ihsedu Agro Chem Private Limited | 3,202.69 | 9.74% |
| 5 | Rama Cylinders Private Limited | 2,466.60 | 7.50% |

TOP 5 SUPPLIERS:

Our top 5 Suppliers for the FY 2018-19:-

(Amount in Rs. Lakhs)

| Sr. No. | Suppliers Name | Amount | % of Total Purchase |
|---------|--|-----------|---------------------|
| 1 | Brijesh Trading Co. | 20,683.90 | 62.71% |
| 2 | Shree Mahakali Traders | 5,335.12 | 16.17% |
| 3 | Hindprakash Castor Derivatives Pvt. Ltd. | 4,557.39 | 13.82% |
| 4 | Khushiya Industries Pvt Ltd | 419.64 | 1.27% |
| 5 | Dev Traders | 362.15 | 1.10% |

UTILITIES & INFRASTRUCTURE FACILITIES:

Infrastructure Facilities:

Our registered office and manufacturing facilities are well equipped with computer systems, internet connectivity, other communications equipment, security, drainage, lighting, sanitation, emergency services and other facilities, which are required for our business operations to function smoothly.

Power:

Our Company meets its power requirements for manufacturing facilities by purchasing electricity from Uttar Gujarat Vij Company Limited (UGVCL). It has sanctioned 831 KVA power load to the company.

Water:

We require ample water (Approximately 1,00,000 Ltr per day) for various manufacturing activities. We source our water requirements from Bore-well.

Fuel:

We require fuels such as diesel and Furnace oil for our manufacturing processes. We source the same through local vendors.

Fire Hydrant:

Manufacturing facility has Fire Hydrant Systems including all types of Fire Extinguishers, CO2 blanketing system in its entire premises to control the fire hazard.

Environment, Health and Safety:

Environmental requirements are incorporated into the plant design right from the preliminary stage of a process. The Effluent Water Treatment Plants are set up as per the guidance of State Pollution Control Board.

INSURANCE:

Our Company has insurance coverage which we consider reasonably sufficient to cover all risks associated with our operations and to cover our assets, risks and liabilities which we believe is in accordance with the industry standards. We have Burglary Policy, Standard Fire and Special Perils Policy etc. for our assets, stocks etc. at our registered office and manufacturing facilities. Our policies are subject to customary exclusions and customary deductibles. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We will continue to review our policies to ensure adequate insurance coverage is maintained.

INTELLECTUAL PROPERTY RIGHTS:

As on date of filing of Prospectus, our Company does not own any intellectual property rights.

LAND AND PROPERTY:

We have our properties located at following:

Leased Properties:

The details of our leased properties are as follows:

| Sr. No. | Address of the Property | Lessor | Area of the Property | Consideration | Lease Period | Current Usage |
|---------|---|---|----------------------|---|--|-----------------------------|
| 1. | 101, Mangalam Corporate House, 19/B Kalyan Society Near M.G. International School, Mithakhali Ahmedabad -380006, Gujarat, India | Chanakya Prakash Mangal | 3,000 Sq. Ft. | Rs. 1,35,000/- Per Month and Interest free Security deposit of Rs. 2,70,000/- | Five years commencing from April 01, 2019 to March 31, 2024 | Registered Office |
| 2. | Survey No. 124 and 122, Harij - Kukrana Road, Village – Jaska, Taluka - Harij, District –Patan – 384240, Gujarat, India | Farpoint Enterprise LLP | 8,072 Sq. Ft. | Rs. 2,00,000/- Per month and interest free Security Deposit of Rs. 2,00,000/- | Nine years commencing from September 01, 2019 to August 31, 2028 | Cotton Unit – Unit I |
| 3. | Survey No. 355/P1 and 355P1/1, Harij-Kukrana Road, Village – Jaska, Taluka - Harij, District – Patan, 384240, Gujarat, India | Hindprakash Castor Derivatives Private Limited | 6,727 Sq. Ft. | Rs. 20,00,000/- Per Month and Interest free Security Deposit of Rs. 20,00,000/- | Eight Years and Seven Months commencing from April 01, 2019 to November 01, 2027 | Castor Oil Unit – Unit II |
| 4. | Survey No. 175/P3/P2, Village – Jagana, Taluka - Palanpur, District –Banaskantha, - 385520, Gujarat, India | Adarsh Agro Oil Industries (Proprietor Adambhai N Choudhary) | 12,138 Sq. Ft. | Rs. 10,51,000/- Per Month and Security Deposit of Rs. 50,00,000/- | Nine years commencing from August 05, 2019 to August 04, 2028 | Castor Oil Unit – Unit III* |

**Note: The Commercial Production is yet to start at Unit III.*

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. We have also diversified our business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 221 of this Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Industrial Policy of Relevant State

The New Industrial Policy, 2015

The policy aims to make Gujarat as an attractive “Total Business Destination” expedites the overall country’s economic growth, thereby increasing the standard of living and prosperity among the people of Gujarat by giving them the opportunity for skilled employment and availability of nurtured enterprise. This policy of Gujarat is a framework than a detailed blueprint, aimed at defining the broad contours of the government’s mission towards augmenting the industrial development of the state. The projects are classified into four categories wherein less than Rs. 10 crores is termed as MSME. Further there was promotion of Cluster Development in State. Clusters are geographic concentrations of competing and collaborating firms that tend to speed up economic development in an area by improving competitiveness, developing synergies and introducing innovation especially in the MSME sector. Being an industrialized state, Gujarat needs to have a strategy which

can support industrialization through higher value addition. There is a provision for financial assistance proposed in the New Industrial Policy which is as follows:

- a) Assistance will be subject to preparation of a Comprehensive Development Plan for 5 years by the project cluster group
- b) Pecuniary assistance to nodal institutions/hiring of experts
- c) Clusters will be eligible for financial assistance as available under the Scheme of Critical Infrastructure.

The policy aims at enhancing competitiveness in MSME sector. The state has witnessed strong growth in the sector and envisages strengthening the sector and making it more technology driven. To motivate the entrepreneurs the Gujarat government will constitute separate awards for MSMEs. The use of Enterprise Resource Planning System (ERPS) will be encouraged in the sector. Financial assistance and training for ERPS shall be provided by the government.

There are many incentive schemes provided for MSME sector like market development assistance, shed and plot development, assistance to Industrial park, Logistics Park.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade 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 commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and The Companies Act, 2013

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees' Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of

regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

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

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

TAX RELATED LEGISLATIONS

Value Added Tax (“VAT”)

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

Note: The VAT Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Note: The Service Tax now has been replaced by the Goods and Service Tax (GST) Act, 2017.

Central Sales Tax Act, 1956 (“CST”)

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Note: The CST Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under 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 it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Note: The Central Excise Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. 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 number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every

location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 (“Environment Protection Act”)

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and/or operation of any industrial facility on environmental grounds. 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. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released into the atmosphere by industries. With a view to curbing air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain the prior consent of the board constituted under the Water Act.

Hazardous Waste (Management and Handling) Rules, 1989 (“Hazardous Waste Rules”)

The Hazardous Waste Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

This Policy seeks to extend the coverage and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. 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. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Intergenerational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

The Indian Boilers Act, 1923 (“Boilers Act”)

The Boilers Act states that the owner of any boiler (as defined therein), which is wholly or partly under pressure when is shut off, shall under the provisions of the Boilers Act, apply to the Inspector appointed there under to have the boiler registered which shall be accompanied by prescribed fee. The certificate for use of a registered boiler is issued pursuant to such application, for a period not exceeding twelve months, provided that a certificate in respect of an economiser or of an unfired boiler which forms an integral part of a processing plant in which steam is generated solely by the use of oil, asphalt or bitumen as a heating medium may be issued for a period not exceeding twenty-four months in accordance with the regulations made under Boilers Act. On the expiry of the term or due to any structural alteration, addition or renewal to the boiler, the owner of the boiler shall renew the certificate by providing the Inspector all reasonable facilities for the examination and all such information as may reasonably be required of him to have the boiler properly prepared and ready for examination in the prescribed manner.

OTHER LAWS

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the “Trade Marks 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 Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act,

1999("FEMA") and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India.

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (now known as Department for Promotion of Industry and Internal Trade), has issued consolidated FDI Policy Circular of 2017("FDI Policy 2017"), which with effect from August 28, 2017, 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 Reserve Bank of India ("RBI") also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, 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 Directions. 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.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of architectural engineering, consultancy services and other technical activities in the solar energy sector. As these sectors/activities are not specifically listed in the Permitted Sectors, 100 % foreign direct investment through automatic route is permitted subject to applicable laws/regulations, security and other conditionalities.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated as “Hindprakash Colourchem Private Limited” as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Further, in order to signify the change in company’s operations, the name of our company was changed to “Mangalam Global Enterprise Private Limited” pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 and a fresh Certificate of Incorporation dated July 31, 2014 was issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on September 17, 2019 and the name of our Company was changed to “Mangalam Global Enterprise Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

Abhinav Agrawal and Rashmi Mangal were the initial subscribers to the Memorandum of Association of our Company.

Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal are the Promoters of our Company. Promoters acquired shares by way of transfers on June 15, 2012 from Abhinav Agrawal, Rachna Agrawal and Sajjankumar Agrawal. For further capital built up information, please refer to the chapter titled “*Capital Structure*” beginning on Page 68 of this Prospectus.

For information on our Company’s profile, activities, market, service, etc., market of each segment, capacity built-up, standing of our Company in comparison with prominent competitors, with reference to its services, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled “*Our Business*”, “*Our Industry*”, “*Financial Statements as Restated*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*”, “*Government and Other Statutory Approvals*” beginning on page 122, 101, 193, 195, and 221 respectively of this Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

At present, the Registered Office of our Company is situated at 101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad – 380006 Gujarat. The details of the changes in the Registered Office of our Company are set forth below:

| Date | From | To | Reasons |
|--------------------|--|---|--------------------------------------|
| Upon Incorporation | Plot No - 3211, Phase IV, Nr. Benzo Products, G.I.D.C. Estate, Vatva, Ahmedabad - 382445 Gujarat | | |
| November 19, 2010 | Plot No - 3211, Phase IV, Nr. Benzo Products, G.I.D.C. Estate, Vatva, Ahmedabad - 382445 Gujarat | 205, Hindprakash House, Plot No, 10/6, Phase I, G.I.D.C. Vatva, Ahmedabad - 382445 Gujarat | For administrative convenience |
| November 15, 2013 | 205, Hindprakash House, Plot No, 10/6, Phase I, G.I.D.C. Vatva, Ahmedabad - 382445 Gujarat | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | For better business operations |
| July 02, 2014 | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 | 19-B, Kalyan Society, Near M. G. International School, Mithakhali, Ahmedabad – 380006 Gujarat | Due to increase in employee strength |

| Date | From | To | Reasons |
|----------------|---|---|---|
| | Gujarat | | |
| April 01, 2016 | 19-B, Kalyan Society, Near M. G. International School, Mithakhali, Ahmedabad – 380006 Gujarat | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | For better connections and administrative purpose |
| April 01, 2017 | Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | Office No. 205, 2nd Floor, Bunglow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | To distinguish the floor and office no, form has been filed with updated details. |
| June 26, 2017 | Office No. 205, 2nd Floor, Bunglow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | Office No. 205, 2nd Floor, Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | To rectify typographical error in the address |
| May 01, 2018 | Office No. 205, 2nd Floor, Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad – 380006 Gujarat | 201, Setu Complex, Girish Cold Drinks Cross Road, Off. C.G. Road, Navrangpura, Ahmedabad – 380009 Gujarat | For expansion and better administrative convenience |
| April 01, 2019 | 201, Setu Complex, Girish Cold Drinks Cross Road, Off. C.G. Road, Navrangpura, Ahmedabad – 380009 Gujarat | 101, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad – 380006 Gujarat | Due to increased employee strength and business expansion plans |

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

| Year | Events |
|------|---|
| 2010 | Incorporation of Company |
| 2014 | Pursuant to change of object of the company the name of the company was changed from “Hindprakash Colourchem Private Limited” to “Mangalam Global Enterprise Private Limited” |
| 2018 | Set up of manufacturing facility at Harij- Unit 2 |
| 2018 | Established Holding Subsidiary relationship with “Farpoint Enterprise LLP” |
| 2019 | Revenue crossed Rs. 300 crores |
| 2019 | Established Holding Subsidiary relationship with “Hindprakash Castor Derivatives Private Limited” |
| 2019 | Incorporation of Mangal Prakash (Singapore) PTE Limited, Subsidiary Company in Singapore |
| 2019 | Conversion of company into Public Limited company |

| | |
|------|--|
| 2019 | Set up of manufacturing facility at Palanpur- Unit 3 |
|------|--|

MAIN OBJECTS OF OUR COMPANY

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

1. *To carry on the business in India or elsewhere as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest, preservers, factors, consignors, collaborators, franchisers, concessionaire, consultants, advisors, manufacturers, manufacturer's representative, job worker, assembler, repairers, facilitators, hirer, leaseholder, clearing and shipping facilitators, custom house facilitators, wharfingers, charters, hirers, superintendents, representative, facilitators and service providers for liaising and clearing service for and otherwise deal in all kinds, classes, size, nature and description of industrial commercial, consumer capital goods, item, things, articles, commodities, merchandise, products and allied activities;*
2. *To carry on the business in India or elsewhere to purchase, sale, rent, lease, hire, let-out or otherwise deal in all kinds movable, immovable, owned, third party, commercial, non-commercial properties.*

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN THE LAST TEN YEARS

The following changes have been made to our Memorandum of Association, in the last ten years from the date of filing of this Prospectus:

| Date of shareholder's Approval | Amendments |
|--------------------------------|--|
| June 28, 2014 | Amendment in Clause III of MOA pursuant to change in object from “ <i>to carry on the business as manufacturer, processor, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents, stockists, suppliers of all classes, kinds, types and nature of chemicals, dyes, pigments and auxiliaries, intermediates, catalyst, including but without limiting the generality of the foregoing, heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceuticals, drugs and medicinal chemicals, gum, allied chemicals and boiling agents for textiles, paints, cosmetics, pharmaceuticals, paper, processing, leather, metal, food pigments and other industries made from whether substance including mineral</i> ” to “ <i>to carry on the business as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer's representative, job worker, assembler, repairers and to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products</i> ” |
| June 28, 2014 | Amendment in Clause I of MOA pursuant to change of name of the company from “ <i>Hindprakash Cholourchem Private Limited</i> ” to “ <i>Mangalam Global Enterprise Private Limited</i> ” |
| March 20, 2018 | Amendment in Clause V of MOA pursuant to increase in Authorized Share Capital of the Company from Rs. 5,00,000 consisting 50,000 Equity Shares of Rs. 10/- each to Rs. 55,00,000 consisting 5,50,000 Equity Shares of Rs. 10/- each |
| March 12, 2019 | Amendment in Clause V of MOA pursuant to increase in Authorized Share Capital of the Company from Rs. 55,00,000 consisting 5,50,000 Equity Shares of Rs. 10/- each to Rs. 3,00,00,000 consisting 30,00,000 Equity Shares of Rs. 10/- each |
| September 3, 2019 | Amendment in Clause V of MOA pursuant to increase in Authorized Share Capital of the Company from Rs. 3,00,00,000 consisting 30,00,000 |

| | |
|--------------------|---|
| | Equity Shares of Rs. 10/- each to Rs. 17,00,00,000 consisting 1,70,00,000 Equity Shares of Rs. 10/- each |
| September 17, 2019 | Amendment in Clause I of MOA pursuant to conversion of Company from Private Limited to Public Limited and the name of the Company was changed from “ <i>Mangalam Global Enterprise Private Limited</i> ” to “ <i>Mangalam Global Enterprise Limited</i> ” |
| September 23, 2019 | <p>Amendment in Clause III of MOA pursuant to adoption of new format of MOA pursuant to Section 4 of Company Act, 2013</p> <ol style="list-style-type: none"> 1. Existing heading of Clause III (A) was substituted and re-named as “THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION” 2. Existing Clause III (A) “<i>to carry on the business as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer's representative, job worker, assembler, repairers and to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products</i>” was substituted to <ol style="list-style-type: none"> a) “<i>To carry on the business in India or elsewhere as buyers, sellers, merchant, exporter, importer, traders, agents, dealers, distributors, commission agents, brokers, stockiest, preservers, factors, consignors, collaborators, franchisers, concessionaire, consultants, advisors, manufacturers, manufacturer's representative, job worker, assembler, repairers, facilitators, hirer, leaseholder, clearing and shipping facilitators, custom house facilitators, wharfingers, charters, hirers, superintendents, representative, facilitators and service providers for liaising and clearing service for and otherwise deal in all kinds, classes, size, nature and description of industrial commercial, consumer capital goods, item, things, articles, commodities, merchandise, products and allied activities;</i> b) <i>To carry on the business in India or elsewhere to purchase, sale, rent, lease, hire, let-out or otherwise deal in all kinds movable, immovable, owned, third party, commercial, non-commercial properties.</i>” 3. Existing heading of Clause III (B) was substituted and re-named as “MATTERS WHICH ARE NECESSARY FOR THE FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A)” 4. Existing sub-clause 1 to 43 of Clause III (C) was merged with altered Clause III (B) and the same were renumbered as sub clauses 40 to 82 to Clause III (B) 5. Clause IV was substituted to “<i>The liability of the members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.</i>” |

HOLDING COMPANY/ (IES) OF OUR COMPANY

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

SUBSIDIARY/ (IES) COMPANY OF OUR COMPANY

As on the date of this Prospectus, Hindprakash Castor Derivatives Private Limited, Mangalprakash (Singapore) PTE Limited and Farpoint Enterprise LLP are the subsidiaries of our Company, details of which are given below:

1. Hindprakash Castor Derivatives Private Limited (“HDCPL”)

Corporate Information

HDCPL was incorporated as a Private Limited Company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated June 13, 2018 bearing Corporate Identification Number U74995GJ2018PTC102810 issued by Deputy Registrar of Companies, Central Registration Centre.

Registered Office

The registered office is situated at 301, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad - 380006, Gujarat, India.

Nature of Business

The main object of the Company is:

1. To carry on the business to manufacture, process, refine, buy, sell, export, import, trade & otherwise deal in castor oil, castor oil derivatives, edible and non-edible oils, oilseeds, oil cakes, kernels and by-products.
2. To carry on the business to manufacture, process, buy, sell, export, import, trade & otherwise deal in all sorts and categories of chemicals, dyes, dyestuff, color chemicals & intermediates.

Capital Structure

The Authorised share capital of HCDPL is Rs. 15,00,000/- divided into 1,50,000 equity shares of Rs. 10/- each and the paid-up share capital is Rs. 11,78,330 divided into 1,17,833 equity shares of Rs. 10/- each.

Shareholding Pattern

The shareholding pattern of HCDPL, as on date of this Prospectus is as mentioned below:

| Sr. No. | Name of the Shareholder | No. of Shares Held | Percentage |
|--------------|--|--------------------|------------|
| 1. | Mangalam Global Enterprise Private Limited | 60,109 | 51.01 |
| 2. | Shirshak Exim LLP | 17,674 | 15.00 |
| 3. | Anilkumar Vasudev Rajgor | 4,595 | 3.90 |
| 4. | Jagrutiben Pareshkumar Rajgor | 4,595 | 3.90 |
| 5. | Kiranben Maheshkumar Rajgor | 4,595 | 3.90 |
| 6. | Maheshkumar S. Rajgor | 4,595 | 3.90 |
| 7. | Pareshkumar V. Rajgor | 4,595 | 3.90 |
| 8. | Vasantkumar S. Rajgor | 4,595 | 3.90 |
| 9. | Zenishaben Anilkumar Rajgor | 4,595 | 3.90 |
| 10. | Induben Vasantkumar Rajgor | 4,460 | 3.79 |
| 11. | Brijesh Vasantlal Rajgor | 3,392 | 2.88 |
| 12. | Chanakya Prakash Mangal | 33 | 0.03 |
| Total | | 1,17,833 | 100 |

The Board of Directors of HCDPL as on the date of this Prospectus are as follows -

1. Chanakya Prakash Mangal
2. Brijeshkumar Vasantlal Rajgor

Accumulated Profits or Losses of our Subsidiary not accounted for

There are no accumulated profits or losses of our subsidiary, not accounted for, by our company.

2. Mangalprakash (Singapore) PTE. Limited (“Mangalprakash”) – Wholly owned subsidiary

Corporate Information

Mangalprakash was incorporated as a Private Limited Company under the provisions of the Companies Act, 2006 on October 19, 2018. Registration Number of Mangalprakash is 201835786W.

Registered Office

The registered office of Mangalprakash is situated at 10 Anson Road, #27-02, International Plaza, Singapore (079903).

Nature of Business

Mangalprakash is engaged in wholesale trade of variety of goods without dominant products.

Capital Structure

The Issued share capital of Mangalprakash is 1,00,000 USD divided into 1,00,000 ordinary shares of 1 USD each and the paid-up share capital 1,00,000 USD divided into 1,00,000 ordinary shares of 1 USD each.

Shareholding Pattern

As on the date of this Prospectus, our company is holding 1,00,000 ordinary shares of Mangalprakash constituting 100% of the total ordinary shares.

The Board of Directors of Mangalprakash as on the date of this Prospectus are as follows -

1. Vipin Prakash Mangal
2. Chandragupt Prakash Mangal

Accumulated Profits or Losses of our Subsidiary not accounted for

There are no accumulated profits or losses of our subsidiary, not accounted for, by our company.

3. Farpoint Enterprise LLP (“Farpoint”)

Corporate Information

Farpoint was incorporated as a Limited Liability Partnership under the provisions of Limited Liability Partnership Act, 2008 on August 8, 2018, bearing LLP Identification Number AAN-1205 issued by Deputy Registrar of Companies, Ahmedabad.

Registered Office

The registered office of Farpoint is situated at 304, Mangalam Corporate House, 19/B Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad - 380006, Gujarat, India.

Nature of Business

In terms of the LLP Agreement entered into amongst the partners of Farpoint, the LLP is inter alia, authorized to carry on the Business of:

Manufacturer’s representatives, buyers, sellers, traders, agents, stockiest, importers, exporters, wholesalers, dealers, consultants, advisors, packers, brokers and to deal in all kinds, types description and size of articles, goods and commodities.

Capital contribution and Profit / Loss sharing ratio

The initial capital of the LLP is Rs. 10,000/- (Rupees Ten Thousand only). Following are the details of capital contribution and profit /loss sharing ratio, as on the date of this Prospectus:

| Sr. No. | Name of Partner | Capital Contribution | Sharing ratio |
|---------|---------------------------------|----------------------|---------------|
| 1. | Mangalam Global Enterprise Ltd. | 5100 | 51.00 |
| 2. | Anilkumar Vasudev Rajgor | 600 | 6.00 |
| 3. | Induben Vasantkumar Rajgor | 600 | 6.00 |
| 4. | Jagrutiben Pareshkumar Rajgor | 600 | 6.00 |
| 5. | Kiranben Maheshkumar Rajgor | 600 | 6.00 |
| 6. | Maheshkumar S Rajgor | 600 | 6.00 |
| 7. | Pareshkumar V Rajgor | 600 | 6.00 |
| 8. | Vasantkumar S Rajgor | 600 | 6.00 |

| | | | |
|--------------|-----------------------------|---------------|------------|
| 9. | Zenishaben Anilkumar Rajgor | 600 | 6.00 |
| 10. | Vipin Prakash Mangal | 50 | 0.5 |
| 11. | Rashmi Mangal | 50 | 0.5 |
| Total | | 10,000 | 100 |

Designated Partners of Farpoint as on the date of this Prospectus are as follows -

1. Vipin Prakash Mangal
2. Rashmi Prakash Mangal

Accumulated Profits or Losses of our Subsidiary not accounted for

There are no accumulated profits or losses of our subsidiary, not accounted for, by our company.

JOINT VENTURES OF OUR COMPANY

Our Company has not entered into any Joint Venture as on date of filing of this Prospectus.

REVALUATION OF ASSETS

There has been no revaluation of assets of our company in last 10 years from the date of this Prospectus.

MERGERS AND ACQUISITIONS IN LAST 10 YEARS

Our Company has not merged / amalgamated itself nor has acquired any business / undertaking, in the last 10 (ten) years from the date of this Prospectus.

DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY

Our company has not divested any of its business / undertaking in last 10 (ten) years from the date of this Prospectus.

SHAREHOLDER'S AGREEMENTS

Our Company has not entered into any Shareholder's Agreements and other agreements prior to the date of this Prospectus.

OTHER MATERIAL AGREEMENTS

There are no material agreements or contracts, which have been entered into by our Company prior to the date of this Prospectus which are not in the ordinary course of business.

CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS

For details pertaining to facility creation, location of plants, please see the chapter titled "*Our Business*" beginning on page 122 of this Prospectus.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

The nature of our business does not include implementation of projects and therefore there has been no time and cost overruns as on the date of this Prospectus.

STRATEGIC PARTNERS

As on the date of filing of this Prospectus, our Company does not have any strategic partner.

FINANCIAL PARTNERS

Apart from the various arrangements with bankers and financial institutions which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

As on the date of this Prospectus, there have been no defaults or rescheduling of borrowings with any financial institutions / banks.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details pertaining to launch of key products, entry in new geographies or exit from existing markets, please see the chapter titled “*Our Business*” beginning on page 122 of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) directors, subject to the applicable provisions of the Companies Act 2013. Our Company currently have 6 (Six) directors on our Board, including 3 (Three) Executive Directors, 3 (Three) Non-Executive Directors out of which 2 (Two) are Independent Directors. Our Board includes 1 (One) Women Director.

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

| Sr. No. | Name, DIN, Date of Birth, Age, Designation, Address, Occupation, Term and Nationality | Date of Appointment / Reappointment as Director | Other Directorships |
|---------|--|---|--|
| 1. | <p>Name: Vipin Prakash Mangal DIN: 02825511 Date of Birth: December 25, 1967 Age: 51 years Designation: Chairman and Executive Director Address: Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad – 380006, Gujarat, India Occupation: Business Term: Liable to retire by rotation Nationality: Indian</p> | <p>Appointed as Chairman and Director on September 03, 2019</p> | <p>Public Limited Company</p> <ul style="list-style-type: none"> • Hindprakash Industries Limited <p>Private Limited Company</p> <ul style="list-style-type: none"> • Mangalam Multi Businesses Private Limited • Mangalam Acumen Private Limited • Mangalam Finserv Private Limited <p>Limited Liability Partnership</p> <ul style="list-style-type: none"> • Shirshak Exim LLP • Farpoint Enterprise LLP • Paradisal Trade LLP • Nitex Enterprise LLP |
| 2. | <p>Name: Chanakya Prakash Mangal DIN: 06714256 Date of Birth: August 09, 1995 Age: 24 years Designation: Joint Managing Director & Chief Operating Officer Address: Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad – 380006, Gujarat, India Occupation: Business Term: 5 Years w.e.f. September 18, and liable to retire by rotation Nationality: Indian</p> | <p>Appointed as Additional Director on November 15, 2013</p> <p>Reappointed as Joint Managing Director & Chief Operating Officer, on September 18, 2019</p> | <p>Public Limited Company</p> <p>Nil</p> <p>Private Limited Company</p> <ul style="list-style-type: none"> • Ecofine Colourchem Private Limited • Mangalam Worldwide Private Limited • Hindprakash Castor Derivatives Private Limited <p>Limited Liability Partnership</p> <ul style="list-style-type: none"> • Shirshak Exim LLP • Nitex Enterprise LLP • Farpoint Enterprise LLP |

| Sr. No. | Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality | Date of Appointment / Reappointment as Director | Other Directorships |
|---------|--|---|--|
| 3. | <p>Name: Chandragupt Prakash Mangal DIN: 07408422 Date of Birth: December 08, 1997 Age: 21 years Designation: Joint Managing Director & Chief Executive Officer Address: Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali Ahmedabad – 380006, Gujarat, India Occupation: Business Term: 5 Years w.e.f. September 18, 2019 and liable to retire by rotation Nationality: Indian</p> | <p>Appointed as Additional Director on January 18, 2016</p> <p>Reappointed as Joint Managing Director & Chief Executive Officer on September 18, 2019</p> | <p>Public Limited Company Nil</p> <p>Private Limited Company</p> <ul style="list-style-type: none"> • Ecofine Colourchem Private Limited • Ecs Environment Private Limited • Mangalam Worldwide Private Limited <p>Limited Liability Partnership</p> <ul style="list-style-type: none"> • Shirshak Exim LLP • Nitex Enterprise LLP |
| 4. | <p>Name: Sarika Sachin Modi DIN: 08320453 Date of Birth: May 29, 1979 Age: 40 years Designation: Non - Executive Director Address: E-72, Galaxy Tower, Near Hotel Grand Bhagwati, Bodakdev, Ahmedabad 380054, Gujarat, India Occupation: Business Term: Liable to retire by rotation Nationality: Indian</p> | <p>Appointed as Non-Executive Director on September 23, 2019</p> | <p>Public Limited Company Nil</p> <p>Private Limited Company Nil</p> <p>Limited Liability Partnership</p> <ul style="list-style-type: none"> • Shirshak Exim LLP • Nitex Enterprise LLP |
| 5. | <p>Name: Praveen Kumar Gupta DIN: 00415491 Date of Birth: June 02, 1968 Age: 51 years Designation: Independent Director Address: 5, Agarwal Colony, Civil Lines, Near City Palace, Ajmer - 305001, Rajasthan India Occupation: Business Term: 5 Years w.e.f. September 23, 2019 Nationality: Indian</p> | <p>Appointed as Independent Director on September 23, 2019</p> | <p>Public Limited Company Nil</p> <p>Private Limited Company</p> <ul style="list-style-type: none"> • Shagun Marbles Private Limited <p>Limited Liability Partnership Nil</p> |

| Sr. No. | Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality | Date of Appointment / Reappointment as Director | Other Directorships |
|---------|--|---|--|
| 6. | <p>Name: Manish Bagadia DIN: 02009864 Date of Birth: October 13, 1967 Age: 52 years Designation: Independent Director Address: 32/A, Jupiter Tower, B/H Grand Bhagwati Hotel, Bodakdev, Ahmedabad 380054 Gujarat India Occupation: Business Term: 5 Years w.e.f. September 23, 2019 Nationality: Indian</p> | <p>Appointed as Independent Director on September 23, 2019</p> | <p>Public Limited Company Nil Private Limited Company</p> <ul style="list-style-type: none"> • Cinza Concrete Products Private Limited • Grace Renewable Energy Private Limited <p>Limited Liability Partnership Nil</p> |

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Vipin Prakash Mangal, Chairman and Executive Director

Vipin Prakash Mangal, aged 51 years, is the Promoter, Chairman and Director of our company. He has been appointed as Director of the company w.e.f. September 03, 2019. He holds Bachelor's degree in Commerce from University of Ajmer. He has 30 years of business experience in manufacturing, trading of various commercial commodities and affiliated consultancy services. He plays vital role in formulating business strategies and effective implementation of the same. He is responsible for expansion and overall management of the business of our company. His leadership abilities have been instrumental in leading the core team of our Company.

Chanakya Prakash Mangal, Joint Managing Director and COO

Chanakya Prakash Mangal, aged 24 years, is Promoter and Joint Managing Director and COO of our company. He has been appointed as Additional Director of our company w.e.f. November 15, 2013 and was designated as Joint Managing Director of our company w.e.f. September 18, 2019. He holds Bachelor's degree in Commerce from Gujarat University. He has been actively involved in the day-to-day operations of our Company and looks after the sales and administration department of our Company.

Chandragupt Prakash Mangal, Joint Managing Director and CEO

Chandragupt Prakash Mangal, aged 21 years, is Promoter and Joint Managing Director and CEO of our company. He has been appointed as Additional Director of our company w.e.f. January 18, 2016 and was designated as Joint Managing Director of our company w.e.f. September 18, 2019. He holds degree in Supply Chain Management from Kelley School of Business, Indiana University and also holds level II badge in CFA from CFA Institute. He has been actively involved in the day-to-day operations of our Company and looks after the finance and overall administration of our Company.

Sarika Modi, Non-Executive Director

Sarika Modi, aged 40 years, is Non-Executive Director of our company. She has been appointed as Non-Executive Director of our company w.e.f. September 23, 2019. She holds Bachelor's degree in Arts from Mumbai University. She had worked as admin executive for more than 5 years in M/s. Hindprakash Industries Limited.

Praveen Kumar Gupta, Independent Director

Praveen Kumar Gupta, aged 51 years, is Independent Director of our company. He has been appointed as Independent Director of our company w.e.f. September 23, 2019. He is a B.E. in Electronics from University

of Poona. He has an experience of 25 years in stones & marbles industry. He was associated with Shagun Marbles Private Limited as a Managing Director since 1994.

Manish Bagadia, Independent Director

Manish Bagadia, aged 52 years, is Independent Director of our company. He has been appointed as Independent Director of our company w.e.f. September 23, 2019. He holds degree of Chartered Accountant from the Institute of Chartered Accountants of India. He has an experience of 18 years in agri-business. He is currently working with M/s. Cinza Concrete products Private Limited as Director since April, 2013 and M/s. Grace Renewable Energy Private Limited since September, 2013 as a Managing Director.

CONFIRMATIONS

As on the date of this Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013

| Name of the Director | Name of the other Director | Relationship |
|-----------------------------|-----------------------------------|---------------------|
| Vipin Prakash Mangal | Chanakya Prakash Mangal | Father – Son |
| | Chandragupt Prakash Mangal | |
| Chanakya Prakash Mangal | Chandragupt Prakash Mangal | Brothers |

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are fugitive economic offender or are on the RBI List of wilful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares have been / were:
 - a) Suspended from trading by any of the stock exchange(s) during his /her tenure in that company in the last five years or;
 - b) Delisted from the stock exchange(s) during the term of their directorship in such companies.
6. None of the Promoters, or Directors has been or is involved as a promoter or director of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on September 23, 2019 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 1,00,000 Lakhs.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

Except as disclosed below, none of the Directors were paid any remuneration during the last financial year ended on March 31, 2019:

| Name of the Director | Amount (Rs. in Lakhs) |
|-----------------------------|------------------------------|
| Vipin Prakash Mangal* | 6.40 |

| | |
|-----------------------------|-------|
| Chanakya Prakash Mangal | 15.55 |
| Chandragupt Prakash Mangal# | 10.25 |

* Salary paid as Employee of the Company

Consultancy Fees paid for Advisory Services provided to company

Terms and conditions of employment of our Director:

Vipin Prakash Mangal

Vipin Prakash Mangal is the Promoter and Director of our Company. He has been appointed on the Board of our Company w.e.f. September 3, 2019. The terms and conditions of his employment are as follows:

| | |
|---------------------|--|
| Remuneration | Rs. 84.00 Lakh p.a. |
| Term | 5 Years w.e.f. September 03, 2019 |
| Perquisites | <ul style="list-style-type: none"> a) Housing: rent free furnished residential accommodation with free gas, electricity, and water as per Company's policy. In case no accommodation is provided by the company the Managing Director shall be entitled to such house rent allowance as may be decided by the Board of Directors from time to time subject however to a maximum limit of 50% of basic salary. b) Leave Travel Concession: Once for self and family every year to anywhere in India or abroad incurred in accordance with the policy of the Company c) 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 d) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service e) Encashment of leave at the end of tenure f) Insurance premium for medical and hospitalization and Personal Accident insurance cover g) Medical Reimbursement: Reimbursement of medical expenses incurred whether in India or abroad for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges as per the rules of the Company h) Club Fees: Fees payable subject to maximum two clubs i) Use of Car with driver: One car with driver with reimbursement of running and maintenance expenses j) Telephone and mobile facility at residence for official purpose k) Servant: reimbursement of servant's salary subject to a maximum of four servants l) Watchman: reimbursement of watchman's salary subject to a maximum of two watchman m) Gardener: reimbursement of gardener's salary subject to a maximum of one gardener n) Other Perquisites and Amenities: Any other perquisites and/or amenities as per the policy applicable to the senior executives of the Company and/or which may become applicable in the future and/or any other perquisites and/or amenities as the board may from time to time decide o) Any other one time, periodic retirement allowances/ benefits as may be decided by the board at the time of retirement. |

Chanakya Prakash Mangal

Chanakya Prakash Mangal has been appointed as the Joint Managing Director & Chief Operating Officer of our Company for a period of 5 years w.e.f. September 18, 2019. The terms and conditions of his employment are as follows:

| | |
|---------------------|--|
| Remuneration | Rs. 84.00 Lakh p.a. |
| Term | 5 Years w.e.f. September 18, 2019 |
| Perquisites | <ul style="list-style-type: none"> a) Leave Travel Concession: Once for self and family every year to anywhere in India or abroad incurred in accordance with the policy of the Company b) Contribution to provident fund, superannuation fond or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 c) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service d) Encashment of leave at the end of tenure e) Insurance premium for medical and hospitalization and Personal Accident insurance cover f) Medical Reimbursement: Reimbursement of medical expenses incurred whether in India or abroad for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges as per the rules of the Company g) Club Fees: Fees payable subject to maximum two clubs h) Use of Car with driver: One car with driver with reimbursement of running and maintenance expenses i) Other Perquisites and Amenities: Any other perquisites and/or amenities as per the policy applicable to the senior executives of the Company and/or which may become applicable in the future and/or any other perquisites and/or amenities as the board may from time to time decide j) Any other one time, periodic retirement allowances/ benefits as may be decided by the board at the time of retirement |

Chandragupt Prakash Mangal

Chandragupt Prakash Mangal has been appointed as the Joint Managing Director & Chief Executive Officer of our Company for a period of 5 years w.e.f. September 18, 2019. The terms and conditions of his employment are as follows:

| | |
|---------------------|---|
| Remuneration | Rs. 84.00 Lakh p.a. |
| Term | 5 Years w.e.f. September 18, 2019 |
| Perquisites | <ul style="list-style-type: none"> a) Leave Travel Concession: Once for self and family every year to anywhere in India or abroad incurred in accordance with the policy of the Company b) Contribution to provident fund, superannuation fond or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961 c) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service d) Encashment of leave at the end of tenure e) Insurance premium for medical and hospitalization and Personal Accident insurance cover f) Medical Reimbursement: Reimbursement of medical expenses incurred whether in India or abroad for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges as per the rules of the Company g) Club Fees: Fees payable subject to maximum two clubs h) Use of Car with driver: One car with driver with reimbursement of running and maintenance expenses i) Other Perquisites and Amenities: Any other perquisites and/or amenities as per the policy applicable to the senior executives of the Company and/or which may become |

| | |
|----|---|
| | applicable in the future and/or any other perquisites and/or amenities as the board may from time to time decide |
| j) | Any other one time, periodic retirement allowances/ benefits as may be decided by the board at the time of retirement |

The above said remuneration and perquisites are subject to the ceiling laid down in Section 197 and Schedule V of the Companies Act, 2013 and all other applicable provisions, if any, as may be amended from time to time. In case of payment of remuneration in excess of the prescribed limits, recovery of the excess amount may be waived by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and subject to the compliance of the applicable provisions, if any.

Remuneration for Non-Executive Directors and Independent Directors

Non-Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

No sitting fees has been paid by our Company to the Non-Executive Directors and Independent Directors for the financial year ended March 31, 2019.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

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

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

| Sr. No. | Name of the Director | No. of Equity Shares | % of Pre Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---------|----------------------------|----------------------|-------------------------------------|--------------------------------------|
| 1. | Vipin Prakash Mangal | 9,56,940 | 8.09% | 5.96% |
| 2. | Chanakya Prakash Mangal | 20,74,100 | 17.54% | 12.92% |
| 3. | Chandragupt Prakash Mangal | 21,98,875 | 18.59% | 13.69% |

INTERESTS OF OUR DIRECTORS

Interest in promotion of our Company

Our Directors, Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “*Related Party Transactions*” and “*Our Promoters and Promoter Group*” beginning on page 191 and 175 of this Prospectus.

Interest in the property of our Company

Except as stated to in the heading titled “*Immovable Properties*” under the chapter titled “*Our Business*” beginning on page 122 and chapter titled “*Related Party Transaction*” on page 190 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company except otherwise disclosed in the heading titled “*Immovable Properties*” under the chapter titled “*Our Business*” beginning on page 122 of the Prospectus.

Interest by way of Remuneration from the Company

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see “*Remuneration/Compensation of Directors*” above. Further, our Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as

decided by our Board subject to Articles of Association of our Company. Further, except as disclosed above, none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said equity shares, if any. Except as stated in the chapters “Our Management” and “Related Party Transactions” beginning on pages 160 and 191 respectively of this Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Interest as member of our Company

As on date of this Prospectus, none of our Directors except Vipin Prakash Mangal, Chandragupt Prakash Mangal, Chanakya Prakash Mangal holds 9,56,940, 21,98,875 and 20,74,100 Equity Shares respectively in our Company i.e. 44.22% of the pre issue paid up Equity Share capital of our Company. Therefore, they are interested to the extent of his shareholding and the dividend declared, if any, on such holding of Equity Shares by our Company.

Interest as a creditor of our Company

Except as mentioned in this Prospectus, our Company has not availed loans from the Directors of our Company. For further details, refer to chapter titled “Financial Indebtedness” and section titled “Related Party Transactions” beginning on page 213 and 191 of this Prospectus.

Other Indirect Interest

Except as stated in chapter titled “Financial Information” beginning on page 213 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the business of our company

Save and except as stated otherwise in “Related Party Transactions” in the chapter titled “Financial Information” beginning on page 193 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any subsidiary or Associate Company as on date of filing this Prospectus.

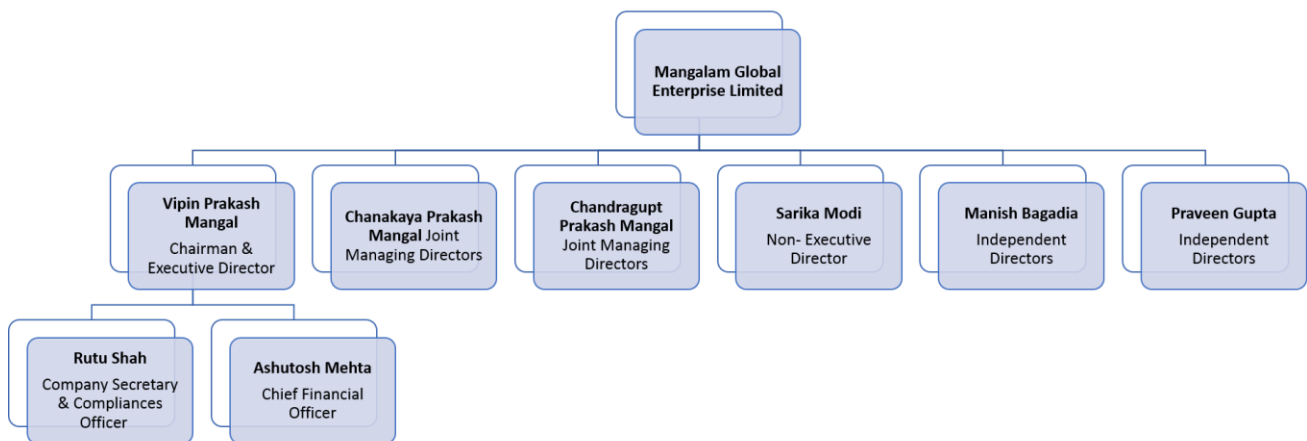
CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus:

| Name of Director | Date of Event | Nature of event | Reason |
|----------------------------|----------------------|------------------------|---|
| Rashmi Mangal | July 01, 2017 | Resignation | Resignation as Director |
| Vipin Prakash Mangal | September 03, 2019 | Appointment | Appointed as Chairman & Executive Director |
| Chanakya Prakash Mangal | September 18, 2019 | Change in Designation | Designated as Joint Managing Director & Chief Operating Officer |
| Chandragupt Prakash Mangal | September 18, 2019 | Change in Designation | Designated as Joint Managing Director & Chief Executive Officer |
| Praveen Kumar Gupta | September 23, 2019 | Appointment | Appointed as Independent Director |

| | | | |
|--------------------|--------------------|-------------|-------------------------------------|
| Manish Bagadia | September 23, 2019 | Appointment | Appointed as Independent Director |
| Sarika Sachin Modi | September 23, 2019 | Appointment | Appointed as Non-Executive Director |

ORGANIZATIONAL STRUCTURE



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (Listing Regulations and Disclosure Requirements) 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

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

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors out of which two are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Listing Agreements and the Companies Act, 2013 to the extent applicable.

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

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee
- A) **Audit Committee**

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated September 23, 2019. The constituted Audit Committee comprises following members:

| Name of the Director | Status | Nature of Directorship |
|-----------------------------|---------------|-------------------------------|
| Manish Bagadia | Chairman | Independent Director |
| Praveen Kumar Gupta | Member | Independent Director |
| Chandragupt Prakash Mangal | Member | Joint Managing Director & CEO |

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers/responsibilities:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary

The Audit Committee shall mandatorily review the following information:

- a. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- b. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- c. Internal audit reports relating to internal control weaknesses; and
- d. The appointment, removal and terms of remuneration of the Internal Auditor.
- e. Quarterly / half yearly statement of deviation(s), if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
- f. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
2. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
3. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval, particularly with respect to;
 - a) Changes, if any, in accounting policies and practices and reasons for the same,
 - b) Major accounting entries involving estimates based on the exercise of judgment by management,
 - c) Significant adjustments made in the financial statements arising out of audit findings,
 - d) Compliance with listing and other legal requirements relating to financial statements,
 - e) Disclosure of any related party transactions,
 - f) Modified opinion(s) / Qualifications in the draft audit report.
4. Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered in to by the Company subject to such conditions provided under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

5. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus, and making appropriate recommendations to the Board to take up steps in this matter;
6. Scrutiny of Inter-corporate loans and investments;
7. Reviewing and discussing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
8. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
9. Valuation of undertakings or assets of the company, where ever it is necessary;
10. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
12. To monitor the end use of fund invested or given by the Company to Subsidiary Companies;
13. Carrying out any other function as assigned by the Board of Directors from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum: The committee shall meet at least two times in a financial year. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher.

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) STAKEHOLDER'S RELATIONSHIP COMMITTEE

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on September 23, 2019.

The Stakeholder's Relationship Committee comprises the following Directors:

| Name of the Director | Status | Nature of Directorship |
|-----------------------------|---------------|-------------------------------|
| Sarika Sachin Modi | Chairman | Non-Executive Director |
| Manish Bagadia | Member | Independent Director |
| Chanakya Prakash Mangal | Member | Joint Managing Director & COO |

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

Tenure: The Stakeholder/ Investor 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 Stakeholder / Investor Relationship Committee as approved by the Board.

Meetings: The Stakeholder/ Investor Relationship Committee shall meet at least four times in a financial year and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher

Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- 1) Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- 2) Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- 3) Issue duplicate/split/consolidated share certificates;
- 4) Dematerialization/ Rematerialization of Share;
- 5) Review of cases for refusal of transfer / transmission of shares and debentures;
- 6) Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- 7) Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

C) NOMINATION AND REMUNERATION COMMITTEE

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on September 23, 2019. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

| Name of the Director | Status | Nature of Directorship |
|----------------------|----------|--------------------------|
| Sarika Sachin Modi | Chairman | Non – Executive Director |
| Praveen Kumar Gupta | Member | Independent Director |
| Manish Bagadia | Member | Independent Director |

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings: The committee shall meet at least one time in financial year and as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.

The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.

Terms of Reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on Emerge Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

Rutu Shah, Company Secretary and Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company.

Set forth below are the details of our Key Management Personnel as prescribed under the Companies Act, 2013, in addition to Chanakya Prakash Mangal and Chandragupt Prakash Mangal as Joint Managing Director of our Company. For details of our Joint Managing Director see – “Brief Profile of our Directors” on 161.

The details of our Key Managerial Personnel are set out below:

Ashutosh Mehta

Ashutosh Mehta, aged 62 years, is Chief Financial Officer of the company. He has been appointed as Chief Financial Officer of our company w.e.f. September 23, 2019. He holds Bachelor's degree in Commerce from Gujarat University. Prior to joining our Company, he has worked in credit department at Bank of Baroda. He has an experience of about 40 years in finance field. He is responsible for handling the financial operations of the company. In the Fiscal year 2019, he was associated with the company as Accounts Officer and he has received a remuneration of Rs. 3.58 Lakhs.

Rutu Shah

Rutu Shah, aged 26 years, is Company Secretary and Compliance Officer of our Company. She has been appointed as Company Secretary and Compliance officer of our company w.e.f. September 23, 2019. She is a qualified Company Secretary by profession and is an associate member of the Institute of Company Secretaries of India. She is entrusted with the responsibility of handling corporate secretarial functions of our company. In the Fiscal year 2019, she has not received remuneration from the company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of the Key Managerial Personnel are permanent employees of our company.

| Name of KMP | Name of other KMP | Relationship |
|-------------------------|----------------------------|--------------|
| Chanakya Prakash Mangal | Chandragupt Prakash Mangal | Brothers |

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of Section 2(77) of the Companies Act, 2013:

| Name of Director/Promoter | Name of KMP | Relationship |
|---------------------------|----------------------------|--------------|
| Vipin Prakash Mangal | Chanakya Prakash Mangal | Father - Son |
| | Chandragupt Prakash Mangal | |

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS / CUSTOMERS / SUPPLIERS

None of our Key Managerial Personnel have been appointed as Key Managerial Personnel pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Prospectus.

| Sr. No. | Name of the Director | No. of Equity Shares held |
|---------|----------------------------|---------------------------|
| 1. | Chanakya Prakash Mangal | 20,74,100 |
| 2. | Chandragupt Prakash Mangal | 21,98,875 |

REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL

Except as mentioned below, no other current KMPs have received compensation during the period ended on March 31, 2019.

| Sr. No. | Name of the Director | Compensation (Rs. in Lakhs) |
|---------|-----------------------------|-----------------------------|
| 1. | Chanakya Prakash Mangal | 15.55 |
| 2. | Chandragupt Prakash Mangal* | 10.25 |

* *Consultancy Fees paid for Advisory Services provided to company*

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “Financial Statements as Restated” beginning on page 193 of this Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The Changes in the Key Managerial Personnel in the last three years are as follows:

| Name | Date of Event | Nature of Event | Reason |
|----------------------------|----------------------|------------------------|--|
| Chanakya Prakash Mangal | September 18, 2019 | Change in designation | Designated as Joint Managing Director |
| Chandragupt Prakash Mangal | September 18, 2019 | Change in designation | Appointment as Joint Managing Director & Chief Executive Officer |
| Ashutosh Mehta | September 23, 2019 | Appointment | Appointment as Chief Financial Officer |
| Rutu Shah | September 23, 2019 | Appointment | Appointment as Company Secretary & Compliance Officer |

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

As on date of this Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 193 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS:

The Promoters of our Company are Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal. As on date of filing this Prospectus, our Promoters hold 52,29,915 Equity Shares representing 44.22% of the pre-issue Paid up Share Capital of our Company.

Brief profile of our Promoters are as under:



Vipin Prakash Mangal, Promoter, Chairman and Executive Director

Vipin Prakash Mangal, aged 51 years, is the Promoter, Chairman and Executive Director of our Company. He plays a vital role in formulating business strategies and effective implementation of the same. He is also responsible for expansion and overall management of the business of our company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships, see the chapter titled “*Our Management*” on page 160 of this Prospectus.

Date of Birth : December 25, 1967

PAN: ABLPM2843F

Passport No: Z2124770

Driving License No: GJ01 20090039708

Aadhaar Card No.: 404413123347

Address: Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad - 380006 Gujarat, India

Other ventures involving our Promoter, Vipin Prakash Mangal are as follows:

1. Mangalam Worldwide Private Limited
2. Ecs Environment Private Limited
3. Mangalam Finserv Private Limited
4. Mangalam Multi Businesses Private Limited
5. Hindprakash Tradelink Private Limited
6. Hindprakash Industries Limited
7. Zaddoc Nutrition Private Limited
8. Mangalam Acumen Private Limited
9. Shirshak Exim LLP
10. Farpoint Enterprise LLP
11. Paradisal Trade LLP
12. O.P.V.P Mangal HUF
13. Om Prakash Vipin Prakash HUF
14. Vipin Prakash HUF
15. Nitex Enterprise LLP



Chanakya Prakash Mangal, Promoter, Joint Managing Director and Chief Operating Officer

Chanakya Prakash Mangal, aged 24 years is the Promoter Joint Managing Director and Chief Operating Officer of our Company. He has been actively involved in the day-to-day operations of our Company and looks after the sales and administration department of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships, see the chapter titled “*Our Management*” on page 160 of this Prospectus.

Date of Birth: August 09, 1995

PAN: AKYPM6446Q

Passport No: K7598814

Driving License No: GJ01 20130056509

Aadhaar Card No.: 282522146018

Address: Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad - 380006 Gujarat, India

Other ventures involving our Promoter, Chanakya Prakash Mangal are as follows:

1. Mangalam Worldwide Private Limited
2. Ecofine Colourchem Private Limited
3. Ecs Environment Private Limited
4. Mangalam Finserv Private Limited
5. Hindprakash Castor Derivatives Private Limited
6. Vipin Prakash HUF
7. O.P.V.P Mangal HUF
8. Om Prakash Vipin Prakash HUF
9. Shirshak Exim LLP
10. Nitex Enterprise LLP
11. Deluxe Paper Industries (Partnership firm)



Chandragupt Prakash Mangal, Promoter, Joint Managing Director and Chief Executive Officer

Chandragupt Prakash Mangal, aged 21 years is the Promoter, Joint Managing Director and Chief Executive Officer of our Company. He has been actively involved in the day-to-day operations of our Company and looks after Finance and overall administration of our Company.

For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships, see the chapter titled “*Our Management*” on page 160 of this Prospectus

| | |
|--|--|
| | <p>Date of Birth: December 08, 1997</p> <p>PAN: AKYPM6437B</p> <p>Passport No: K7598813</p> <p>Driving License No: GJ01 20150025122</p> <p>Aadhaar Card No.: 921443821493</p> <p>Address: Bungalow No. 1, Bharti Society, Near Nagri Hospital, Mithakhali, Ahmedabad - 380006 Gujarat, India</p> <p>Other ventures involving our Promoter, Chandragupt Prakash Mangal are as follows:-</p> <ol style="list-style-type: none"> 1. Mangalam Worldwide Private Limited 2. Ecofine Colourchem Private Limited 3. Ecs Environment Private Limited 4. Mangalam Finserv Private Limited 5. Hindprakash Tradelink Private Limited 6. Vipin Prakash HUF 7. O.P.V.P Mangal HUF 8. Om Prakash Vipin Prakash HUF 9. Nitex Enterprise LLP 10. Shirshak Exim LLP |
|--|--|

Declaration

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number of our Promoters, shall be submitted to the Stock Exchange at the time of filing of this Prospectus.

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 shareholding and the dividend receivable, if any and other distributions in respect of the equity shares held by them in our company. For details regarding shareholding of our Promoters in our Company, please refer “*Capital Structure*” on page 68 of this Prospectus.

Our Promoters 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 otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters are also the Directors of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and subject to Articles of Association of our Company. For details please refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 160, 193 and 68 respectively of this Prospectus.

Further, certain members of our Promoter Group are also on the board of our Group Companies and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from the Group Company. For the payments that are made by our Company to certain Group Companies. For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page no 191 of this Prospectus.

Further, our Promoters has given personal guarantees, respectively, towards financial facilities availed from Bankers of our Company; therefore, they are interested to the extent of the said guarantees. Further, they have

also extended unsecured loans and is therefore, interested to the extent of the said loans. For further information, please refer to the details under the heading “*Our Management – Interest of Directors*” and “*Financial Indebtedness*” on pages 160 and 213 of Prospectus.

Further, none of our Promoters have given material guarantees to the third party (ies) with respect to the specified securities of the Company.

INTEREST IN PROPERTY, LAND, CONSTRUCTION OF BUILDING, SUPPLY OF MACHINERY

Except as disclosed in the section titled “*Our Management - Interest of Directors*” and “*Our Business*” on pages 160 and 122, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

PAYMENT OR BENEFITS TO OUR PROMOTERS IN THE LAST TWO YEARS

Except as mentioned under the heading “*Interest of Promoters*” and in the sections titled “*Financial Statements, as restated - Annexure 30- Restated Standalone Statement of Related Parties Transactions*” on pages 193 of this Prospectus, no amount or benefits were paid / given or were intended to be paid / given to our Promoters during the last two years from the date of filing of this Prospectus.

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There was no change in management of our Company during five years immediately preceding the date of filing of this Prospectus.

OUR PROMOTER GROUP:

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 includes the following individuals and body corporates:

A. Individuals related to our Promoters:

| Relationship with Promoters | Vipin Prakash Mangal | Chanakya Prakash Mangal | Chandragupt Prakash Mangal |
|------------------------------------|-----------------------------|--------------------------------|-----------------------------------|
| Father | Omprakash Mangal | Vipin Prakash Mangal | Vipin Prakash Mangal |
| Mother | Hemlata Omprakash Mangal | Rashmi Vipin Mangal | Rashmi Vipin Mangal |
| Brother | Sanjay Prakash Mangal | Chandragupt Prakash Mangal | Chanakya Prakash Mangal |
| Sister | Kirti Goel* | - | - |
| Spouse | Rashmi Vipin Mangal | - | - |
| Son | Chanakya Prakash Mangal | - | - |
| | Chandragupt Prakash Mangal | | |
| Daughter | - | - | - |
| Spouse’s Father | Ravindra Kumar Agarwal* | - | - |
| Spouse’s Mother | Pushpa Devi Agarwal* | - | - |
| Spouse’s Brother | Sandeep Agarwal* | - | - |
| Spouse’s Sister | Rekha Gupta* | - | - |

*Our Company has received declarations from relatives of our Promoter, Vipin Prakash Mangal i.e. Kirti Goel (Sister of Vipin Prakash Mangal), Ravindra Kumar Agarwal (Father –in Law of Vipin Prakash Mangal), Pushpa Devi Agarwal (Mother-in- Law of Vipin Prakash Mangal), Sandeep Agarwal (Brother-in- Law of Vipin Prakash Mangal) and Rekha Gupta (Sister-in- Law of Vipin Prakash Mangal), stating that they do not hold any financial/business interest in our company and that they are not willing to constitute part of promoter group of our company. They have not shared any details of entity (ies) in which they severally or jointly have an interest. Therefore, the disclosures made in this Prospectus are limited to the extent of information that has been made available by our Promoters in relation to Promoter Group.

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. O.P.V.P Mangal HUF
2. O.P.S.P. Mangal HUF
3. Om Prakash Vipin Prakash HUF
4. Om Prakash Sanjay Prakash HUF
5. Vipin Prakash HUF
6. Sanjay Prakash HUF
7. Deluxe Paper Industries (Partnership firm)
8. Hindprakash Industries Limited
9. Hindprakash Global Private Limited
10. Mangalam Worldwide Private Limited
11. Hindprakash Trade link Private Limited
12. Hindprakash Overseas Private Limited
13. Mangalam Multi Businesses Private Limited
14. Specific Worldwide Private Limited
15. Mangalam Acumen Private Limited
16. Mangalam Finserv Private Limited
17. Zaddoc Nutrition Private limited
18. Ecofine Colourchem Private Limited
19. Ecs Environment Private Limited
20. Hindprakash Castor Derivatives Private Limited (Subsidiary)
21. Mangalprakash (Singapore) PTE. LTD. (Subsidiary)
22. Shirshak Exim LLP
23. Farpoint Enterprise LLP (Subsidiary)
24. Paradisal Trade LLP
25. Nitex Enterprise LLP

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS:

Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

| Name of Promoter | Name of Director | Relationship |
|----------------------|-------------------------|--------------|
| Vipin Prakash Mangal | Chanakya Prakash Mangal | Father- son |

| Name of Promoter | Name of Director | Relationship |
|-------------------------|----------------------------|--------------|
| | Chandragupt Prakash Mangal | |
| Chanakya Prakash Mangal | Chandragupt Prakash Mangal | Brother |

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS:

None of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the Prospectus.

LITIGATION INVOLVING OUR PROMOTER:

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled “*Outstanding Litigation and Material Developments*” on page 217 of this Prospectus.

CONFIRMATIONS:

None of our Promoters have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

None of the Promoters, Promoter Group entities, directors or Group Companies have been debarred or prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There are no violations of Securities Law committed by our Promoters in past and no proceedings for violation of securities laws are pending against them.

Except as disclosed in “*Related Party Transactions* on page 191 of this Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India as per our Restated Financial Information and such other companies as considered material by our Board.

Pursuant to a resolution of our Board dated September 25, 2019, for the purpose of disclosure in offer document for the Issue, a company shall be considered material and disclosed as a ‘Group Company’ if the name of a Company is included in the list of related parties transactions of the company as per Accounting Standard 18 and detailed in the Restated Financial statements.

Based on the above, the following are our Group Companies:

1. Hindprakash Tradelink Private Limited
2. Mangalam Worldwide Private Limited;
3. Zaddoc Nutrition Private Limited
4. ECS Environment Limited;
5. Ecofine Colourchem Private Limited

CONFIRMATIONS

Unless otherwise specifically stated in this section, none of the Group Companies: (i) are listed on any stock exchange in India or abroad; (ii) have completed any public or rights issue in the preceding three years; (iii) have become a sick company within the meaning of the erstwhile SICA; (iv) are under winding-up; (v) have become defunct; (vi) have made an application to the relevant registrar of companies in India in whose jurisdiction such Group Company is registered in the five years preceding the date of filing this Prospectus with SEBI, for striking off its name; (vii) have received any significant notes from the auditors; (viii) had a negative net worth as of the date of their last audited financial statements, or (ix) have any pending litigation which has material impact on our Company.

OUR GROUP COMPANIES

The Details of our Group Companies are provided below:

1. Hindprakash Tradelink Private Limited (“HTPL”)

Corporate Information

Hindprakash Tradelink Private Limited (**HTPL**) was originally incorporated as a Private Limited Company as “Ahmedabad Chemicals Private Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on May 10, 1972 issued by Registrar of Companies, Gujarat. Subsequently the name of “Ahmedabad Chemicals Private Limited was changed to “Hindprakash Tradelink Private Limited” vide Certificate of Incorporation dated October 30, 2017 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The registered office of HTPL is situated at 101, 'Hindprakash' House, Plot No. 10/6, Phase-I, GIDC Vatva, Ahmedabad – 382445, Gujarat India. The Corporate Identification Number of HTPL is U24231GJ1972PTC002082. The current authorised capital is Rs. 2,125.00 Lakhs and paid up share capital is Rs. 1,832.09 Lakhs.

Main Objects of the Company:

The main objects of HTPL are as follows:

1. To carry on the business of manufacturing of and dealers in Chemicals, Chemical Compounds and Chemical Products of any nature and kind whatsoever, and as wholesale and retail chemists and druggists, chemical engineers, analytical chemists, importers, exporters, manufacturers of and dealers in heavy chemical, acids, alkalis, petro-chemicals, chemical compounds and element of all kinds solid, liquid and gaseous), drugs, medicines, pharmaceuticals, antibiotics etc. tanners, tannin extracts, essences, solvents, plastics of all types, dyes, dyestuff intermediates, textile auxiliaries, artificial silks, staple fibers, and synthetic fibers of all kinds

and types, regenerated fibers or filaments, cellophane, colours, plants, varnishes, disinfectants, insecticides, fungicides, deodorants as well as biochemical, pharmaceutical, medicinal, siring, bleaching, photographic and other preparations and articles of any nature and kind whatsoever.

2. To carry on the business of manufacturers, buyers, sellers, importers, exporters of and dealers in all kinds and classes of paper, board and pulp including writing paper, printing paper, news printing paper, absorbent paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory finish paper, coated paper, art paper, bank or bond paper, badami, brown or buff paper, bible paper, cartridge paper, cloth lined paper, azure-laid paper, cream laid, wove paper, glassine, waxed paper, grease-proof paper, gummed paper, handmade paper, parchment paper, drawing paper, Kraft paper, manila paper, envelope paper, tracing paper, velium paper, waterproof paper, carbon paper, sensitised paper, chemically treated paper, litmus paper, photographic paper, glass paper, emery paper, pasteboard, card-board, strawboard, plup board, leather board, mill board, corrugated board, cartons, paper bags, paper boxes, post-cards, visiting cards, all other kinds of paper whatsoever, soda-pulp, mechanical pulp, sulphite pulp, chemical and semi-chemical pulp etc. including such pulp as is manufactured from all types of raw materials such as timber, bamboos, grasses, sugarcane bagasse, cotton-Linters, lint, cotton waste, etc. all kinds of coated papers with all types of materials, resins and plastics.
3. To exploit and render fit for use, deposits of salt natron natural soda, Nitrates, natural brines and seawater, and to manufacture therefrom any kind of chemicals and other products and by-products, and to carry on the business of manufacturers, exporters and importers of and dealers in salt, table salt, potassium chloride, magnesium chloride and substances.
4. To carry on business as dyers, bleachers and calico printers in a dye house or a textile mill and as wholesale or retail chemists, druggists, analytical or pharmaceutical chemists, and as manufacturers of paints, oils and varnishes and as dealers in Dyes and chemicals and as dealers in flavour and perfume materials and as exporters and importers and to manipulate, prepare or market and otherwise deal in all goods, merchandise, articles, things wares and manufacturers and also other products whatsoever of this Company.
5. To carry on the business as manufacturers of distillers, dye makers and to manufacture and deal in dyestuffs, chemicals, auxiliaries etc.
6. To carry an business of pharmaceutical manufacturing, and general chemists and druggists, and manufacture of and dealers in all kinds of toilet requisites, and manufacturers of all kinds of boxes and cases wholly of card, wood, metal or otherwise and printers, colour printers publishers, stationers, candle makers, manufacturers of perfumes, collectors of flowers and perfume producing vegetation.
7. To carry on all or any of the business following, namely, cotton spinner and doublers flax, hemp and jute spinners, linen manufacturers, flax, hemp, jute and wool merchants, wool combers, worsted spinners, woollen spinners, war knitters, yarn merchants, worsted stuff manufacturers, bleachers and dyers, and makers of vitriol, bleaching and dyeing materials and to purchase, comb, prepare, spin, dye and deal in flax, hemp, jute, woof, cotton silk and other fibrous, substances, and to weave or otherwise manufacture, buy and sell and deal in linen, cloth and other goods and fabrics, whether textile, fribled knitted or copreld and to supply power, and to carry on or be interested in the business of flour mill proprietors pressing and ginning will proprietors and oil mill proprietors, paper mill proprietors and ice manufacturers in all their branches and either in Ahmedabad or other parts of India.

Board of Directors:

1. Santosh Narayan Nambiar
2. Sanjay Prakash Mangal
3. Sachin Rajendra Modi

Nature and Extent of Interest of Promoters:

Our Promoters Vipin Prakash Mangal and Chandragupt Prakash Mangal together holds 2,04,606 Equity shares of Rs. 10 each and 15,861 Preference Shares of Rs. 10 each aggregating to 1.20% of the total Share capital of HTPL.

Our Promoters have no interest in the company except to the extent of shareholding in HTPL.

Financial Information:

(Rs. in lakhs except per share figures)

| Particulars | FY 2018 – 19 | FY 2017 – 18 | FY 2016 – 17 |
|---|---------------------|---------------------|---------------------|
| Share Capital | 1,832.09 | 1,832.09 | 125.00 |
| Reserves and Surplus (excluding revaluation reserves) | 6,797.60 | 6,475.30 | 6,277.02 |
| Revenue from Operations | 76,124.10 | 59,685.75 | 55,545.22 |
| Profit After Tax | 324.38 | 200.35 | 192.02 |
| Earnings Per Share (Basic) | 1.89 | 1.17 | 15.36 |
| Earnings Per Share (Diluted) | 1.89 | 1.17 | 1.12 |
| Net Asset Value (In Rs.) | 47.10 | 45.34 | 512.16 |

Significant Notes of Auditor

There are no significant notes of the Auditors in relation to the aforementioned financial statements.

2. Mangalam Worldwide Private Limited (“MWPL”)

Corporate Information

Mangalam Worldwide Private Limited (MWPL) was originally incorporated as “Temchem Exports Private Limited” as a Private Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on December 11, 1995 issued by Asstt. Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently the name of “Temchem Exports Private Limited” was changed to “Hindprakash Exim Private Limited” vide Certificate of Incorporation dated April 30, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further the name of company was changed from “Hindprakash Exim Private Limited” to “Mangalam Worldwide Private Limited” vide Certificate of Incorporation dated October 13, 2014 issued by Registrar of Companies, Ahmedabad, Gujarat. The registered office of MWPL is situated at 102, Mangalam Corporate House, 19/B, Kalyan Society, Near M.G. International School, Mithakhali, Ahmedabad – 380006, Gujarat, India. The Corporate Identification Number of MWPL is U51500GJ1995PTC028381. The current authorised capital is Rs. 42.50 Lakhs and paid up share capital is Rs. 20.13 Lakhs.

Main Objects of the Company:

The main objects of MWPL are as follows:

1. To carry on business as dealers, importers, exporters, traders, distributors and manufacturers representatives of all classes, kinds, types, nature and description of goods, commodities, articles and things whether of capital nature or otherwise including but without limiting the generality of the foregoing.
 - (i). Textile machineries and components and accessories;
 - (ii). Dyes and intermediates;
 - (iii). Chemicals and chemical compounds;
 - (iv). Pharmaceuticals and bulk drugs;
 - (v). Ferrous, non-ferrous metals, castings and components.
2. To carry on the business as recognised export and import house.

Board of Directors:

1. Chandragupt Prakash Mangal
2. Chanakya Prakash Mangal

Nature and Extent of Interest of Promoters:

Our Promoters Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal together holds 1,42,500 Equity shares of Rs. 10 each aggregating to 58.50% of the total issued Equity Share capital of MWPL. Further Chandragupt Prakash Mangal and Chanakya Prakash Mangal are also the directors of MWPL.

Our Promoters have no interest in the company except to the extent of their directorships and shareholding in MWPL.

Financial Information:

(Rs. in lakhs except per share figures)

| Particulars | FY 2018 - 19 | FY 2017 - 18 | FY 2016 – 17 |
|---|---------------------|---------------------|---------------------|
| Share Capital | 20.13 | 4.75 | 4.75 |
| Reserves and Surplus (excluding revaluation reserves) | 855.67 | 112.79 | 112.10 |
| Revenue from Operations | 3,458.72 | 3,136.61 | 2,662.44 |
| Profit After Tax | 23.36 | 0.77 | 5.96 |
| Earnings Per Share (Basic and Diluted) | 114.00 | 3.76 | 30.58 |
| Net Asset Value (In Rs.) | 435.00 | 247.45 | 246.01 |

Significant Notes of Auditor

There are no significant notes of the Auditors in relation to the aforementioned financial statements.

3. Zaddoc Nutrition Private Limited (“ZNPL”)

Corporate Information

Zaddoc Nutrition Private Limited (ZNPL) is a Private Limited Company incorporated under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on March 14, 2013 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The registered office of ZNPL is situated at 205, Hindprakash House, Plot No. 10/6, Phase-1, GIDC, Vatva, Ahmedabad – 382445, Gujarat India. The Corporate Identification Number of ZNPL is U15400GJ2013PTC073986. The current authorised capital is Rs. 1,037 Lakhs and paid up share capital is Rs. 48.81 Lakhs.

Main Objects of the Company:

The main objects of ZNPL are as follows:

1. To carry on business of manufacturing, trading, buying, selling, import and export, store, forward, distribute, develop, market, supply and to act as agent, broker, representative, consultant collaborator, stockists, liaisoner, middleman, jobworker or otherwise to deal in all types, descriptions, specifications, strengths and applications of dietary and nutraceutical supplement products like protein powder, energy drinks, multivitamin tablets, syrups and drops, pharmaceutical and chemical products of medicaments in all its branches such as healthcare products used for diet and fitness, including, basic drugs, intermediates, tonics, antibiotics, enzymes, steroids, vitamins, hormones, biological and immunological chemicals, contraceptives, vaccines, toxins, ferments, oils and tinctures; medicinal products in all forms such as capsules, tablets, powders, ointments, injectibles, pills, fluids, granules, sprayers, inhalers, food products, Juice, mineral waters, removers, veterinary medicines, fitness supplements, nutritional supplements, leucine product, isoleucine product, valine products, aloe vera antacid, aloe vera health drink, amla candy, anti fungal drugs, arm sling, ayurvedic hair oil, ayurvedic health care products, body fat analyzer, body massager, calcium supplements, calcium supplements, nutritional supplements, fat burning supplements, weight gaining supplements, slimming supplement, women slimming supplement, creatine supplement, carbohydrate supplement and weight gaining supplements, protein supplements, dietary supplements, digital blood pressure monitor herbal products, their by-products, intermediates, residues, mixtures, compounds and other allied goods, and also to deal in over the counter (OTC) products, cosmetics, toiletries, shampoo, skin care and healthcare products, birth control medicines and devices and lubricants and to do all such acts and things necessary for the attainment of the above objects.
2. To carry on all or any of the business in India and/or elsewhere as buyers, sellers, importers, exporters,

dealers, representative either on own account of the company or on account of constituent of buyers, sellers, importers, exporters, distributors, dealers, manufacturers, producers, refiners and developers in all kind of goods, merchandise, materials, including but not Limited to stationeries, papers, books, paper boards, hard boards, binders, cards, artisan, work of art, paintings, antique pieces or articles, handicraft, fabrics, castings, hardware including barbed wire and chain links, mesh and wire mesh, textiles, garments, apparels, sports goods, precious and semiprecious metals, jewellery, diamonds and other natural and synthetic stones, ferrous and non ferrous metals, minerals, electrical goods, electronic goods including computer hardware, data and software, electronic and other toys, shoes, lather, leather goods, chemicals, chemical compound, dyes, intermediates, textile chemicals, pigments, paints, colours, thinners, varnishes, synthetics resin, inks, natural and synthetic fiber, yarns, edible, non-edible oil, oil fasts, cream, butter, ghee, pharmaceuticals, cosmetics, plastic, plants, equipments, machineries, agricultural produces and products thereof, marine products, groceries, grains, salt, sugar, spices, forest products, timber, woods, rubber, glass, herbal products, fertilizers, pesticides, agro-chemicals, paper pulps, petroleum products and petro-chemical products.

3. To act as agents and/brokers for sellers, buyers, exporters, importers, designers, merchants, tradesmen, hirers located in India and/or elsewhere and to undertake and carry out agency work and commission business in respect of all items including items specified in herein above.

Board of Directors:

1. Dimple Sanjay Prakash Mangal
2. Sanjay Prakash Mangal

Nature and Extent of Interest of Promoters:

Our Promoter Vipin Prakash Mangal holds 92,736 Equity shares of Rs. 10 each aggregating to 19.00% of the total issued and paid up Equity Share capital of ZNPL.

Our Promoters have no interest in the company except to the extent of aforesaid shareholding in ZNPL.

Financial Information:

(Rs. in lakhs except per share figures)

| Particulars | FY 2018-19 | FY 2017 - 18 | FY 2016 – 17 |
|---|-------------------|---------------------|---------------------|
| Share Capital | 48.81 | 1.00 | 1.00 |
| Reserves and Surplus (excluding revaluation reserves) | 3,973.87 | (6.22) | (5.70) |
| Revenue from Operations | 742.26 | - | - |
| Profit/Loss After Tax | (4.05) | (0.52) | (1.97) |
| Earnings Per Share (Basic and Diluted) | (0.83) | (5.20) | (19.75) |
| Net Asset Value (In Rs.) | 824.18 | (52.20) | (47.00) |

Significant Notes of Auditor

There are no significant notes of the Auditors in relation to the aforementioned financial statements.

4. ECS Environment Private Limited (“ECPL”)

Corporate Information

ECS Environment Private Limited (EEPL) was originally incorporated as a Public Limited Company as “ECS Environment Limited” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated on August 23, 2011 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently the Company was converted into a Private Limited Company and the name of EEPL was changed to “ECS Environment Private Limited” vide Certificate of Incorporation dated November 21, 2013 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The registered office of EEPL is situated at Block No 24, Paiki Village Vautha, Taluka Dholka, Ahmedabad – 382225, Gujarat India. The Corporate Identification Number of

EEPL is U30000GJ2011PTC066849. The current authorised capital is Rs. 800.00 Lakhs and paid up share capital is Rs. 682.24 Lakhs.

Main Objects of the Company:

The main objects of EEPL are as follows:

1. To carry on the business in India or any part of the world of Recovery and recycling of manufacturing rejects, various metals and non metals from obsolete electronic devices such as Computer, Servers, main frames, Monitors, TVs, CRT & LCD display devices, Telecommunication devices, Cellular phones, Calculators, audio and video devices, printers, scanners, copiers and fax machines besides refrigerators, air conditioners, washing machines, and microwave ovens, E-Waste also covers used audio video storage devices such as DVDs, CDs, Floppies, Tapes, Printing Cartridges, Electronic Components such as ICs, Processors, Mother boards, Printed Circuit boards, Transistors, Resistors, Capacitors, Transformers, Industrial electronics, automobile electronic devices, catalytic converters, metal soltiex, copper sulfate, silver chloride, military electronics, spare and aviation electronics and to manufacture, develop, import, export, buy, sell, distribute, transfer, lease, hire, research, license, use, dispose off, operate, assemble, record, maintain, convert, improve, procure, install, alter, modify all kinds of Computer, computer peripherals, Networking component, Information Technology product, Online (Website) services, Data Center, Network Operating Center (NOC) , Online Help Desk, all Center. Various other services related to Information Technology, repairing of IT Products, training and education on IT Subjects, lease of IT setup, Consultancy of Information Technology projects, software, hardware, and to provide Information Technology enabled services like medical transcription, medical billing & coding, insurance billing, legal transcription, G.I.S. mapping, call center, back office support, E-commerce, web content, software development, running BPO Centers, cyber café, M. T. (Medical Transcription), I. T. enabled services, FMC (Facility Management Centre), E Mail, E Commerce, Mobile Computing, Mobile E – Mail Services, Web Designing, Web hosting, call centers, WAP and to undertake the turnkey projects for the same on BOOM (Build, Own, Operate and Maintain) and BOLT (Build, Operate, Lease and Transfer) basis and/or similar new technology in this field and to provide programming services and the business of providing resources on site to clients, enterprise resource planning solutions & to undertake IT related recruitment & placement services either by own or jointly with others and to carry on the business of technology in India or abroad by establishing small scale units or 100% export oriented undertakings (EOU), or by setting up unit in Software Technology Park (STP), Special Economic Zone (SEZ) or setting up of 100% wholly owned subsidiary in India or abroad or in joint venture with any other units in India or any part of the world using information technology, satellite data transfer link or internet services or any other technology developed or to be developed in India or any part of the world and to act as consultant, outsourcing agent, trainer, franchiser, job worker, representative, adviser, or otherwise to deal in all kinds of transcription services using state of the art equipments with development of information technologies. The operations would be ranging from reusing the old/new used/unused IT and other electrical and electronics products, repairing or refurbishing them using old or new components, parts and spares, recovering or retrieving components, parts and spares from unusable or unrepeatable equipments. Eco-friendly e-waste recycling would cover many mechanical and chemical processes like shredding, crushing, cutting, grinding, magnetic separation, heat exchange, eddy current separation, density separation, cyclone separation, near infrared or infrared separation, electrolysis and other electrochemical processes, chemical leaching and separation.
2. To carry on the business in India or any part of the world operations like storage, sorting, separation and segregation, component removal and classification would also take place. The machines, equipments, tools required for processes can be designed and developed in-house, imported from other countries or purchased locally. Many of the technologies would be patented, approved and verified by various authorities. Various dedicated processing lines for ICT Products, CRTs, Refrigerators & ACs, Washing machines & Dish washers, CFLs & FLs, operational in parallel. Primary level operations would also include testing and analyzing each and every component for possibility of reuse and also R&D to analyze its compositions and possibility of recovery of different types of metals and materials. Ratio and purity of recovery would also be determined by R&D process. Different Mechanical processes would allow recovery of different metals and materials like various types of plastics, Glass, Aluminum, copper, iron, Lead, Tin, Nickel, Zinc, generate by products like phosphorus, sulphur, mercury, Freon gas, that would be controlled and stored by effective filtering processes. Various chemical processes would recover PMG metals, remaining byproducts

like rubber, epoxy resin, silicon are treated to be neutralized and disposed. sophisticated measures be taken and adequate technology like wet scrubbers, filters, washers and ETP system would be deployed to avoid or reduce pollution in any forms like solid, liquid or gas. The metals and materials received as output from various processes can further be processed for purification, refining or molding in various forms or shapes or can be sold/provided to different vendors/processors to process/market it further. E waste would be procured from the market as raw material from Government and nongovernment agencies, Industries, commercial and domestic dispose. Utility requirements like electricity would be addressed by either using conventional sources of electricity or by generating electricity using renewable sources like solar and wind. Water also be treated to be reused multiple times for various processes and for domestic use or watering the plantation.

Board of Directors:

1. Chandragupt Prakash Mangal
2. Seema Vijay Mandora
3. Ghanshyam Tansukhlal Pandya

Nature and Extent of Interest of Promoters:

Our Promoters Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal together holds 8,30,265 Equity shares of Rs. 10 each aggregating to 12.58% of the total issued and paid up Equity Share capital of EEPL. Further Chandragupt Prakash Mangal is also the director of EEPL.

Our Promoters have no interest in the company except to the extent of the aforesaid directorship and shareholding in the EEPL.

Financial Information:

(Rs. in lakhs except per share figures)

| Particulars | FY 2018 - 19 | FY 2017 - 18 | FY 2016 – 17 |
|---|---------------------|---------------------|---------------------|
| Share Capital | 659.74 | 592.24 | 592.24 |
| Reserves and Surplus (excluding revaluation reserves) | 982.71 | 1989.24 | 2090.11 |
| Revenue from Operations | 470.59 | 326.63 | 225.68 |
| Profit/Loss After Tax | (514.78) | (100.87) | 287.82 |
| Earnings Per Share (Basic and Diluted) | (8.30) | (1.70) | 4.86 |
| Net Asset Value (In Rs.) | 24.90 | 43.59 | 45.29 |

Significant Notes of Auditor

There are no significant notes of the Auditors in relation to the aforementioned financial statements.

5. Ecofine Colourchem Private Limited (“ECPL”)

Corporate Information

Ecofine Colourchem Private Limited (**ECPL**) was originally incorporated as a Limited Liability Partnership in the name of “BR Colourchem LLP” having LLPIN AAD-8284 registered under Limited Liability Partnership Act, 2008. Further the LLP was converted in a Private Company as “BR Colourchem Private Limited” under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated on April 25, 2018 issued by Registrar of Companies, Central Registration Centre, Manesar. Subsequently the name of “BR Colourchem Private Limited” was changed to “Dazzling Colourchem Private Limited vide Certificate of Incorporation dated June 28, 2018 issued by Registrar of Companies, Delhi. Further the name of company was changed from “Dazzling Colourchem Private Limited” to “Ecofine Colourchem Private Limited” vide Certificate of Incorporation dated August 25, 2018 issued by Registrar of Companies, Delhi. The registered office of ECPL is situated at House No 1792-1793, Basement Floor Kingsway Camp, Outram Line, House No. 1792-1793, Basement Floor Kingsway Camp, Outram Line, Landmark Na New Delhi North Delhi 110009, India. The

Corporate Identification Number of ECPL is U24304DL2018PTC333055. The current authorised capital is Rs. 500.00 Lakhs and paid up share capital is Rs. 62.57 Lakhs.

Main Objects of the Company:

The main objects of ECPL are as follows:

1. The Company is being formed as a Part-I Company, by the Conversion of an existing LLP i.e. B R Colorchem LLP having LLPIN: AAD-8284 and registered office at 1902, Outram Line, Kingsway Camp, Delhi 110009 into a Private Limited Company under the provisions of Chapter-XXI, of the Companies Act, 2013.
2. To carry on the business in India and outside India of manufacturers, formulators, processors, blenders, mixers, packers, re-packers, branders, jobbers, traders, dealers, distributors, liaison, agency, consultancy, brokerage, indenting in all types of dyestuffs, pigments powder & pastes, dye intermediates, chemicals, printing ink and textile auxiliaries and its allied products.
3. To carry on the business of manufacturing of and dealers in Chemicals, Chemical Compounds and Chemical Products of any nature and kind whatsoever, chemical engineers, importers, exporters, manufacturers of and dealers in heavy chemicals, acids, alkalis, petro-chemicals, chemical\ compounds and elements of all kinds (solid, liquid and gaseous), dyes, dyestuff intermediates, textile auxiliaries, artificial silks and other preparations and articles of any nature and kind whatsoever.
4. To carry on the business as dyers, bleachers and calico printers in a dye house or textile mill as wholesaler or retailer and as dealers in dyes and chemicals and otherwise deal in all goods, merchandise, articles, things wares and manufacturers and also other products whatsoever of this Company.
5. To carry on the business as manufacturers of chemicals, distillers, dye makers and to manufacture and deal in all kinds of dyestuffs, chemicals, auxiliaries etc.
6. To carry on in India and elsewhere in any place or places in the world the trade or the business of traders, exporters, importers, dealers, merchants, shippers, indentors, distributor, wholesalers, retailers, shopkeepers, hirers, commission agents, mucedums, brokers, stockists, mercantile agents, direct selling, forwarding agents, warehousemen, in a wide range of dyestuffs, pigments powder & pastes, dye intermediates, chemicals, printing ink and textile auxiliaries and its allied products and to carry on all the above business in all or any of their respective branches.

Board of Directors:

1. Chandragupt Prakash Mangal
2. Chanakya Prakash Mangal
3. Mansukhbhai Haribhai Vekaria
4. Hitesh Garg
5. Rajan Garg

Nature and Extent of Interest of Promoters:

Our Promoters Chanakya Prakash Mangal and Chandragupt Prakash Mangal are directors of ECPL.

Our Promoters do not hold any Equity shares in ECPL.

Our Promoters have no interest in the company except to the extent of their directorships in the ECPL.

Financial Information:

(Rs. in lakhs except per share figures)

| Particulars | FY 2018-19 | FY 2017-18 | FY 2016-17 |
|---|------------|------------|------------|
| Share Capital | 62.56 | NA | NA |
| Partner's Contribution | NA | 62.57 | 79.08 |
| Reserves and Surplus (excluding revaluation reserves) | 6.81 | 0.00 | (0.11) |

| Particulars | FY 2018-19 | FY 2017-18 | FY 2016-17 |
|--|-------------------|-------------------|-------------------|
| Reevnue from Operations | 20.00 | 0.15 | 0.00 |
| Profit/Loss After Tax | 6.80 | 0.11 | (0.11) |
| Earnings Per Share (Basic and Diluted) | 1.09 | NA | NA |
| Net Asset Value (In Rs.) | 11.09 | NA | NA |

Note: As the ECPL was converted in Private Limited Company in FY 2018-19, so the Financials of FY 2016-17 and 2017-18 are for the BR Colourchem LLP.

Significant Notes of Auditor

There are no significant notes of the Auditors in relation to the aforementioned financial statements.

LITIGATION AGAINST GROUP COMPANIES

Except as mentioned in the chapter titled '*Outstanding Litigation and Material Developments*' beginning on page 217 of this Prospectus, Our Group Companies are not involved in any litigations which have a material impact on our Company.

LOSS MAKING GROUP COMPANIES

Our Group Companies 'Zaddoc Nutrition Private Limited' & 'ECS Environment Private Limited' have incurred losses during the year immediately preceding the date of filing the Prospectus with Stock exchange. Please refer the details mentioned under the head "Financial Information" of 'Zaddoc Nutrition Private Limited' & 'ECS Environment Private Limited' mentioned in this Chapter.

DEFUNCT/ STRUCK-OFF COMPANY

None of Our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off its name during the five years preceding the date of filing the Prospectus with Stock exchange.

NATURE AND EXTENT OF INTEREST OF OUR GROUP COMPANIES

Interest in the promotion of our Company

Except as disclosed in "*Related Party Transactions*" on page 191, our Group Companies do not have any interest in the promotion or any business or other interests in our Company. For further details in relation to the shareholding of our Group Companies in our Company, please refer to the chapter titled "*Capital Structure*" on page 68 of this Prospectus.

Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired

Except as mentioned in the chapter titled "*Our Business*" under the heading Land & Property beginning on page 122 of this Prospectus, our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Prospectus or proposed to be acquired by our Company as of the date of this Prospectus.

Interest in the transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transaction for acquisition of land, construction of building or supply of machinery.

COMMON PURSUITS

Our group companies do not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Our Group Companies are having common pursuits with our Company as they are authorised to carry on similar activities as those conducted by Company. These Companies do not have any non-compete agreements in place amongst themselves. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

Related Business transactions between our Company & Group Companies and significance on the financial performance of our Company

Except as disclosed in “*Related Party Transactions*” on page 191 of this Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

Business interests of group companies/ subsidiaries/ associate companies in our Company

Other than as disclosed in “*Related Party Transactions*” on page 191 of this Prospectus, our Group Company/ subsidiaries/associate companies does not have any interests in the business of our Company or interest of any other nature as on the date of this Prospectus.

Payment or benefit to our Group Companies

Except as stated in chapter titled “*Related Party Transactions*” beginning on page 191 of this Prospectus, there has been no payment of benefits to our group companies during the period ended June 30, 2019 and financial years ended, March 31, 2019, March 31, 2018 and March 31, 2017.

OTHER DISCLOSURE

Further our Group Companies have not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Our Group Companies have not been identified as willful defaulter as defined under the SEBI ICDR Regulations.

RELATED PARTY TRANSACTION

For details on related party transactions please refer to Annexure 30 of restated financial statement under the section titled, "*Financial Statements*" beginning on page 193 of this Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board of Directors and approved by our shareholders, at their discretion, subject to the provisions of the Article of Association, the Companies Act 2013.

In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects. Our Company may also, from time to time, pay interim dividends. Our Company has no formal dividend policy. Our Company has declared dividends during the last three Fiscals.

Details of dividends distributed on the Equity Shares are as follows:-

| Particulars | For the period post June 30, 2019 to the date of filing of this Prospectus | For the period ended June 30, 2019 | Fiscal | | |
|-------------------------------|--|------------------------------------|----------|----------|------|
| | | | 2019 | 2018 | 2017 |
| Face value per share (in Rs.) | 10 | 10 | 10 | 10 | 10 |
| Dividend (in Rs.) | - | - | 4,65,097 | 1,09,004 | - |
| Dividend per share (in Rs.) | - | - | 0.20 | 0.20 | - |
| Rate of Dividend (%) | - | - | 0.2% | 0.2% | - |
| Dividend Tax (%) | - | - | 20.56 | 20.56 | - |

SECTION VI – FINANCIAL INFORMATION

FINANCIAL STATEMENT AS RESTATED

| Particulars | Page No. |
|--|-----------------|
| Restated Consolidated Financial Statements | F-1 to F-39 |
| Restated Standalone Financial Statements | F-40 to F-72 |

Auditor’s Report on the Restated Consolidated Statement of Assets and Liabilities as at June 30, 2019 and March 31, 2019 Profit and Loss and Cash Flows for each of the years/Period ended on June 30, 2019 and March 31, 2019 of Mangalam Global Enterprise Limited (collectively, the “Restated Consolidated Summary Statements”)

To,
The Board of Directors
Mangalam Global Enterprise Limited
101, Mangalam Corporate House, 19/B Kalyan Society,
Nr. M.G. International School, Mithakhali,
Ahmedabad - 380006

Dear Sir/Ma’am,

1. We have examined the attached Restated Consolidated Summary Statements along with significant accounting policies and related notes of Mangalam Global Enterprise Limited (the “Company”) as at and for the period /each of the years ended June 30, 2019 and March 31, 2019, annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer (“IPO”) on the EMERGE Platform of National Stock Exchange of India Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013(“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/Prospectus being issued by the Company for its proposed IPO of equity shares on EMERGE Platform of NSE Limited.; and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
3. The Restated Consolidated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period/financial years ended on June 30, 2019 and March 31, 2019.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “Restated Consolidated Summary Statement of Assets and Liabilities” as set out in **Annexure 1** to this report, of the Company as at June 30, 2019 and March 31, 2019 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
 - (ii) The “Restated Consolidated Summary Statement of Profit and Loss” as set out in **Annexure 2** to this report, of the Company for the period/years ended June 30, 2019 and March 31, 2019 are prepared by the Company and approved by the Board of Directors. These Restated Summary Consolidated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
 - (iii) The “Restated Summary Consolidated Statement of Cash Flow” as set out in **Annexure 3** to this report, of the Company for the period/years ended June 30, 2019 and March 31, 2019, are prepared by the Company and approved by the Board of Directors. These Statement of Cash

Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.

5. Based on the above and also as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the financial years ended June 30, 2019 and March 31, 2019 we are of the opinion that:
 - a) the Restated Consolidated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - b) the Restated Consolidated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
 - c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
 - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on June 30, 2019 and March 31, 2019, which would require adjustments in this Restated Financial Statements of the Company;
 - e) profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure 4 to this report;
 - f) adjustments in Restated Consolidated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Consolidated Summary Statements;
 - g) there was no change in accounting policies, which needs to be adjusted in the Restated Consolidated Summary Statements except mentioned in clause (f) above;
 - h) there are no revaluation reserves, which need to be disclosed separately in the Restated Consolidated Financial Statements;
 - i) The company has proposed and paid dividend(s) as per the dividend policy of the company effective for the said period.

6. **Opinion:**

In our opinion and to the best of information and explanation provided to us, and also as per the reliance placed on reports submitted by previous auditors, the restated financial information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure 4 are prepared after providing appropriate adjustments and regroupings as considered appropriate and disclosed in Annexure 4.

7. Audit for the Holding company for the period April 01, 2019 to June 30, 2019 has been conducted by M/s. Keyur Shah & Co., Chartered Accountants and for the financial year 2018-19 has been conducted by M/s. Kedia & Kedia Associates., Chartered Accountants. Financial statements for the financial year ended March 31, 2019 have been re audited by us as per the relevant guidelines.
8. Audit of the Subsidiary Companies Far Point Enterprise LLP & Hind Prakash Caster Derivatives Private Limited for the period April 01, 2019 to June 30, 2019 has been conducted by M/s. Keyur Shah & Co., Chartered Accountants and for the financial year 2018-19 has been conducted by M/s. Kedia & Kedia Associates., Chartered Accountants. Audit of the Subsidiary Company Mangalprakash (Singapore) Pte. Lte. for the period April 01, 2019 to June 30, 2019 and for the financial year ended March 31, 2019 has been conducted by CSL & Co. PAC. Financial statements for the financial year ended March 31, 2019 for all the subsidiaries and for the period April 01, 2019 to June 30, 2019 for Mangalprakash (Singapore) Pte. Lte. have been re audited by us as per the relevant guidelines

9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on June 30, 2019 and March 31, 2019, proposed to be included in the Draft Prospectus/Prospectus.
10. Prospectus (“**Offer Document**”) for the proposed IPO.

Annexure of Restated Financial Statements of the Company:-

- a. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
- b. Reconciliation of Restated Consolidated Profit as appearing in Annexure 4 to this report.
- c. Reconciliation of Restated Consolidated Equity/Net worth as appearing in Annexure 4 to this report.
- d. Details of Consolidated Share Capital as Restated as appearing in Annexure 5 to this report;
- e. Details of Consolidated Reserves and Surplus as Restated as appearing in Annexure 6 to this report;
- f. Details of Consolidated Long Term/Short Term Borrowings as Restated as appearing in Annexure 7 to this report;
- g. Nature of Security and Terms of Repayment for Consolidated Long term/Short Term Borrowings as appearing in Annexure 7A/7B to this report
- h. Details of Consolidated Deferred Tax Liabilities (Net) as Restated as appearing in Annexure 8 to this report;
- i. Details of Consolidated Other Long Term Liabilities as Restated as appearing in Annexure 9 to this report;
- j. Details of Consolidated Long Term/Short Term Provisions as Restated as appearing in Annexure 10 to this report;
- k. Details of Consolidated Trade Payables as Restated as appearing in Annexure 11 to this report;
- l. Details of Consolidated Other Current Liabilities as Restated as appearing in Annexure 12 to this report;
- m. Details of consolidated Property Plant & Equipment as Restated as appearing in Annexure 13 to this report;
- n. Details of Consolidated Intangible Assets as Restated as appearing in Annexure 14 to this report;
- o. Details of Consolidated Non-Current Investments as Restated as appearing in Annexure 15 to this report;
- p. Details of Consolidated Long/Short Term Loans and Advances as Restated as appearing in Annexure 16 to this report;
- q. Details of Consolidated Trade Receivables as Restated enclosed as Annexure 17 to this report;
- r. Details of Consolidated Inventories as Restated as appearing in Annexure 18 to this report;
- s. Details of Consolidated Cash and Cash Equivalents as Restated enclosed as Annexure 19 to this report;
- t. Details of Consolidated Revenue from operations as Restated as appearing in Annexure 20 to this report;
- u. Details of Consolidated Other Income as Restated as appearing in Annexure 21 to this report;
- v. Details of Consolidated Cost of material consumed as restated as appearing in Annexure 22 to this report
- w. Details of Consolidated Purchase of Stock in Trade as appearing in Annexure 23A
- x. Details of Consolidated Change in Inventory of Finished Goods, Stock in Trade and WIP as

appearing in Annexure 23B

- y. Details of Consolidated Employee Benefit Expense as restated as appearing in Annexure 24 to this report
 - z. Details of Consolidated Finance Cost as restated as appearing in Annexure 25 to this report
 - aa. Details of Consolidated Other Expense as restated as appearing in Annexure 26 to this report
 - bb. Details of Consolidated Accounting and Other Ratios as appearing in Annexure 27 to this report.
 - cc. Consolidated Capitalization Statement as Restated as at June 30, 2019 as appearing in Annexure 28 to this report;
 - dd. Details of Consolidated Related Parties Transactions as Restated as appearing in Annexure 29 to this report;
11. We, Keyur Shah & Co., 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.
 12. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 13. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 15. In our opinion, the above financial information contained in Annexure 1 to 30 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
 16. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For Keyur Shah & Co.
Chartered Accountants
Firm’s Registration No.: 141173W

Sd/-
Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 19153774AAAADK4206

Date: October 18, 2019
Place: Ahmedabad

Annexure 1: Consolidated Statement of Assets and Liabilities

(Amount in Lakhs)

| Particulars | Annexure | Consolidated | Consolidated |
|-----------------------------------|----------|------------------|-----------------|
| | | 30.06.2019 | 31.03.2019 |
| Equity and liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 5 | 232.55 | 232.55 |
| Reserves and surplus | 6 | 3,302.80 | 3,200.37 |
| Minority Interest | | 211.12 | 213.63 |
| | | 3,746.47 | 3,646.55 |
| Non-current liabilities | | | |
| Long-term borrowings | 7 | 2,116.65 | 1,677.61 |
| Deferred tax liabilities (net) | 8 | 20.36 | 23.34 |
| Other long-term liabilities | 9 | 17.51 | 16.90 |
| Long-term provisions | 10 | 2.27 | 1.62 |
| | | 2,156.79 | 1,719.48 |
| Current liabilities | | | |
| Short-term borrowings | 7 | 5,266.33 | 1,071.62 |
| Trade payables | 11 | 284.41 | 156.97 |
| Other current liabilities | 12 | 559.41 | 410.64 |
| Short-term provisions | 10 | 113.55 | 153.12 |
| | | 6,223.70 | 1,792.34 |
| Total | | 12,126.96 | 7,158.37 |
| Assets | | | |
| Non-current assets | | | |
| (i) Property, plant and equipment | 13 | 2,838.02 | 2,424.48 |
| (ii) Intangible assets | 14 | 2.21 | 0.63 |
| (iii) Capital work-in-progress | 13 | 40.38 | 436.25 |
| (iv) Goodwill on Consolidation | 13A | 176.54 | 176.54 |
| Non-current investments | 15 | 364.05 | 242.45 |
| Long-term loans and advances | 16 | 473.09 | 169.67 |
| | | 3,894.29 | 3,450.02 |
| Current assets | | | |
| Trade receivables | 17 | 1,170.60 | 889.56 |
| Inventories | 18 | 5,430.03 | 1,477.24 |
| Cash and bank balances | 19 | 43.04 | 78.49 |
| Short-term loans and advances | 16 | 1,589.00 | 1,263.06 |
| | | 8,232.67 | 3,708.36 |
| Total | | 12,126.96 | 7,158.37 |

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure 4.

As per our report of even date attached

For and on behalf of the Board of Directors

For, Keyur Shah & Co.
Chartered Accountants
Firm Registration No.: 141173W

Sd/-
Chanakya Prakash Mangal
(Director)
DIN: 06714256

Sd/-
Keyur B Shah
Proprietor
M. No. 153774
Place : Ahmedabad
Date : 18-10-2019

Sd/-
Chandragupt Prakash Mangal
(Director)
DIN: 07408422
Place : Ahmedabad
Date : 18-10-2019

Mangalam Global Enterprise Limited

Annexure 2: Consolidated Statement of Profit and Loss

(Amount in Lakhs)

| Particulars | Annexure | Consolidated | Consolidated |
|---|----------|------------------|------------------|
| | | 30.06.2019 | 31.03.2019 |
| Revenue | | | |
| Revenue from operations | 20 | 14,627.89 | 38,980.52 |
| Other income | 21 | 22.04 | 14.70 |
| Total revenue | | 14,649.93 | 38,995.21 |
| Expenses | | | |
| Cost of materials consumed | 22 | 13,281.35 | 18,294.58 |
| Purchase of stock-in-trade | 23 | 750.62 | 19,614.86 |
| Changes in inventories of Finished Goods or Traded Goods | | (264.76) | (865.81) |
| Employee benefits expense | 24 | 123.69 | 254.15 |
| Finance costs | 25 | 154.54 | 340.63 |
| Depreciation and amortisation expense | 13 | 35.97 | 81.92 |
| Other expenses | 26 | 436.12 | 930.85 |
| Total expenses | | 14,517.53 | 38,651.17 |
| | | | |
| Profit before tax | | 132.40 | 344.04 |
| | | | |
| Tax expense | | | |
| Current tax | | 35.79 | 91.55 |
| MAT Credit | | - | (9.61) |
| Deferred tax (credit)/charge | | (2.99) | 17.14 |
| | | - | |
| Profit for the period / year | | 99.60 | 244.95 |
| | | | |
| Profit Transferred to Minority Interest | | (2.51) | 17.64 |
| | | | |
| Profit /(Loss) for the period / year (after adjustment of Minority Interest) | | 102.11 | 227.31 |

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4

As per our report of even date attached

For, Keyur Shah & Co.
Chartered Accountants
Firm Registration No.: 141173W

For and on behalf of the Board of Directors

Sd/-
Chanakva Prakash Mangal
(Director)
DIN: 06714256

Sd/-
Keyur B Shah
Proprietor
M. No. 153774

Place : Ahmedabad
Date : 18-10-2019

Sd/-
Chandragupt Prakash Mangal
(Director)
DIN: 07408422
Place : Ahmedabad
Date : 18-10-2019

Mangalam Global Enterprise Limited

Annexure 3: Consolidated Statement of Cash Flows

(Amount in Lakhs)

| Particulars | As at 30 June, 2019 | As at 31 March, 2019 |
|--|------------------------|----------------------|
| A. Cash flow from operating activities | | |
| Profit before tax, as restated | 132.40 | 344.04 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 35.97 | 81.92 |
| Loss/(Gain) on Sale of Investment | - | (1.18) |
| Foreign Exchange Gain / Loss | (8.30) | (2.71) |
| Finance costs | 154.44 | 340.63 |
| Interest & Dividend Income | (13.49) | (10.42) |
| Gratuity Provision | 0.92 | 1.83 |
| Leave Encashment Provision | - | 4.23 |
| Operating profit before working capital changes | 301.94 | 758.33 |
| Changes in working capital: | | |
| (Increase) / decrease Inventories | (3,952.79) | (1,477.24) |
| (Increase) / decrease in Trade Receivables | (281.04) | (713.78) |
| (Increase) / decrease in Loans and Advances and Other Assets | (325.94) | (1,235.11) |
| Increase / (decrease) in Trade Payables | 127.45 | 30.28 |
| Increase / (decrease) in Other Liabilities | 148.77 | 391.75 |
| Increase / (decrease) in Long Term Liabilities | 0.61 | 2.70 |
| Increase / (decrease) in Short Term Provision | (39.84) | 139.38 |
| Cash generated from / (utilised in) operations | (4,021) | (2,104) |
| Less : Income tax paid | (35.79) | (81.94) |
| Net cash flow generated from/ (utilised in) operating activities (A) | (4,057) | (2,186) |
| B. Cash flow from investing activities | | |
| Purchase of property, plant and equipment (including intangible assets and Assets under WIP) | (55.23) | (2,236.16) |
| Net of Purchase/ Proceeds from Sale of Investments | (121.60) | (242.45) |
| Interest and Dividend Received | 13.49 | 10.42 |
| (Increase) / decrease in Long Term Loans and Advances | (303.42) | (155.25) |
| Income from Investment | - | 1.18 |
| Net cash flow utilised in investing activities (B) | (466.75) | (2,622.26) |
| C. Cash flow from financing activities | | |
| Proceeds from issuance of shares | - | 178.05 |
| Proceeds from Security Premium | - | 2,512.63 |
| Foreign Exchange Gain / Loss | 8.30 | 2.71 |
| Net of Repayment/Proceeds from Short Term Borrowings | 4,194.71 | 1,071.62 |
| Net of Repayment/Proceeds from Long Term Borrowings | 439.04 | 1,453.52 |
| Interest/Finance Charges Paid | (154.44) | (340.63) |
| Other Adjustment (Including Dividend & Dividend Distribution Tax) | 0.33 | (1.31) |
| Net cash flow generated from/ (utilised in) financing activities (C) | 4,487.93 | 4,876.58 |
| Net (decrease)/ increase in cash & cash equivalents (A+B+C) | (35.46) | 68.69 |
| Cash and cash equivalents at the beginning of the period/ year | 78.49 | 9.81 |
| Cash and cash equivalents at the end of the period/ year | 43.04 | 78.49 |

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For and on behalf of the Board of
Directors

For, Keyur Shah & Co.
Chartered Accountants
Firm Registration No.: 141173W

Sd/-
Chanakya Prakash Mangal
(Director)
DIN: 06714256

Sd/-
Keyur B Shah
Proprietor
M. No. 153774
Place : Ahmedabad
Date : 18-10-2019

Sd/-
Chandragupt Prakash Mangal
(Director)
DIN: 07408422
Place : Ahmedabad
Date : 18-10-2019

Annexure 4: Statement of Notes to Consolidated Financial Information

A. Background of the Company

The Company was originally incorporated as "Hindprakash Colourchem Private Limited" as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The name of our company was changed to "Mangalam Global Enterprise Private Limited" pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 and a fresh Certificate of Incorporation dated July 31, 2014 was issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on September 17, 2019 and the name of our Company was changed to "Mangalam Global Enterprise Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

The Company are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. The Company have also diversified their business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. Company has two separate dedicated well-equipped manufacturing units at Harij, Gujarat for undertaking manufacturing operations of abovementioned two product segments and they are also engaged in the trading of Castor Seeds and Raw Cotton.

B. Summary of significant accounting policies

a) Basis of preparation of financial statements

The Consolidated Statement of Assets and Liabilities of the Company as at 30 June 2019, 31 March 2019, the Consolidated Statement of Profit and Loss and the Restated Summary Statement of Cash Flows for the period/ years ended 30 June 2019, 31 March 2019, and the annexures thereto (herein collectively referred to as 'Consolidated Restated Financial Information') have been compiled by the management of the Company from the audited financial statements of the Company for the period/ years ended 30 June 2019, 31 March 2019, and have been prepared specifically for the purpose of inclusion in the Offer Document to be filed by the Company with the SME portal of National Stock Exchange of India Limited ('NSE')

These aforementioned audited financial statements were prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. These audited financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Act/ Companies Act, 1956, as applicable.

The Consolidated Restated Financial Information have been prepared to comply in all material aspects with the requirements of Section 26(1)(b) of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time).

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. Based on nature of products/services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The aforementioned Consolidated Financial Information have been prepared in Indian Rupee (INR).

b) Use of estimates

The preparation of Consolidated Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

c) Depreciation

The Company provides pro-rata depreciation on additions and disposals made during the year.

Prior to 1 April 2014, depreciation on property, plant and equipment has been provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

With effect from 1 April 2014, pursuant to the notification of Schedule II to the Companies Act, 2013, depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Annexure 4: Statement of Notes to Consolidated Financial Information

d) 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) Dividend income is recognised when the right to receive the dividend is established.

e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Expenditure on addition, improvements and renewals is capitalized and expenditure for maintenance and repair is charged to Profit and Loss account.

f) Foreign Currency Transactions

The reporting currency of the Company is Indian Rupee.

- i) Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rates prevailing at the date of the transaction.
- ii) Monetary assets and monetary liabilities denominated in foreign currencies are converted at rate of exchange prevailing on the date of the Balance Sheet.
- iii) Exchange differences on settlement/conversion are included in the Statement of Profit and Loss in the period in which they arise.
- iv) The premium or discount on forward exchange contract is recognised in the Statement of Profit & Loss over the period of the contract

g) Investments

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realisable and intended to be held for not more than a year are valued at lower of cost and net realisable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss

h) Employee benefits

I. Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences etc. are recognised in the period in which the employee renders the related service.

II. Post-employment benefits:

i) 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 governments Authorities, and it has no further obligation beyond making its contribution, which is expensed in the period to which it pertains

Annexure 4: Statement of Notes to Consolidated Financial Information

ii) Defined benefit plans:

The Company has defined benefit plan in the form of gratuity and compensated absences. The same is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

i) Borrowing Costs

Borrowing Cost includes interest and amortization of ancilliary costs incurred in connection with the arrangement of Borrowings. General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

j) Taxes on income

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.

k) Inventories

Inventories consisting of Raw Materials, Work-in-Process, Finished Goods and Traded 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

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.

l) Impairment of assets

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on its eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Annexure 4: Statement of Notes to Consolidated Financial Information

m) Government Grant

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.

n) Earning Per Share

Basic Earning per Share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding at the end of the year. Diluted earning per share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity share outstanding at the end of the year.

o) Current Assets, Loans and Advances

The balance under item of Sundry Debtors, Loans and Advances and Current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

p) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to their present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized

Mangalam Global Enterprise Limited

Annexure 4: Statement of Notes to the Restated Financial Information

C. Contingent liabilities and commitments

(Amount in Lakhs)

(i) Contingent liabilities

| Particulars | As at 30 June, 2019 | As at 31 March, 2019 |
|--|------------------------|-------------------------|
| Claims against the Company not acknowledged as debt | | |
| Bank guarantees | 791.39 | 2,756.90 |
| | 791.39 | 2,756.90 |

D. Segment Reporting

The Company are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. The Company have also diversified their business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. In view of the above, both primary and secondary additional reporting disclosures for business / geographical segments as envisaged in Accounting Standard 17, "Segment Reporting" are not applicable to the Company.

E. Earning in foreign currency on accrual basis

| Particulars | 1 April 2019 to 30 June 2019 | For the year ended March 31, 2019 |
|--|---------------------------------|---|
| Foreign Currency Earnings (Net off Remittance Charges) | 6.66 | 4.41 |

F. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

| Particulars | 1 April 2019 to 30 June 2019 | As at March 31, 2019 |
|---|---------------------------------|-------------------------|
| Foreign Currency Exposure that have not been Hedged by Derivative Instruments | | Nil |

G. Changes in Accounting Policies in the Periods/Years Covered In The Consolidated Financials

There is no change in significant accounting policies adopted by the Company.

H. Notes On Restatement Made In The Consolidated Financials

- 1) The financial statements including financial information 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 financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.
- 3) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
- 5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest Rupees. Figures in brackets indicate negative values.

K. Restatement adjustments, Material regroupings and Non-adjusting items**(a) Impact of Consolidated adjustments**

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

| Particulars | As At 30.06.2019 | As At 31.03.2019 |
|--|---------------------|---------------------|
| Profit after tax as per audited financial statements | 99.60 | 250.99 |
| Adjustments to net profit as per audited financial statements | | |
| Increase / Decrease in Expenses (Note : 1) | - | (3.81) |
| Increase / Decrease Depreciation (Note : 1) | - | (0.10) |
| Excess / Short Provision for Tax (Note : 2) | - | 5.35 |
| Differed Tax Liability / Assets Adjustments (Note : 3) | - | (7.47) |
| Total adjustments | - | (6.03) |
| Restated profit before tax for the period/ years | 99.60 | 244.95 |

Note:

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated

(b) Explanatory notes for the restatement adjustments

- (i) The Amount relating to the prior period & other Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to
- (ii) The Company has provided Excess or Short Provision in the year in which the Income Tax Return has been filled for the respective financial year But in the Restated Financial Information the company has provided Excess or Short Provision in the year to which it relates to.
- (iii) There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the Consolidated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financail of the company for all the years and teh requirements of teh Securities and Exchange Board of India (Issue of Capital and Disclosure

(c) Reconciliation of restated Equity / Networth:

| Particulars | As at June 30, 2019 | As at March 31, 2019 |
|---|------------------------|-------------------------|
| Equity / Networth as per Audited Financials | 3,535.83 | 3,449.40 |
| <u>Adjustment for:</u> | | |
| Difference Pertaining to changes in Profit / Loss due to Restated Effect for the period covered in Restated Financial | 0.64 | (15.40) |
| Prior Period Adjustments | (1.12) | (1.09) |
| Equity / Networth as Restated | 3,535.35 | 3,432.91 |

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financail of the company for all the years and teh requirements of teh Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

Mangalam Global Enterprise Limited

Annexure 5: Consolidated Statement of Share capital

| Particulars | Consolidated | Consolidated |
|---|---------------|-------------------|
| | 30.06.2019 | 31.03.2019 |
| Authorised share capital | | |
| Equity shares of ₹ 10 each | | |
| - Number of shares | 30,00,000 | 30,00,000 |
| - Amount in ₹ | 300.00 | 300,00,000 |
| | 300.00 | 300,00,000 |
| Issued, subscribed and fully paid up | | |
| Equity shares of ₹ 10 each | | |
| - Number of shares | 23,25,482 | 23,25,482 |
| - Amount in ₹ | 232.55 | 232,54,820 |
| | 232.55 | 232,54,820 |

a) Reconciliation of Consolidated equity share capital

| Particulars | Consolidated | Consolidated |
|--|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Balance at the beginning of the period/year | | |
| - Number of shares | 23,25,482 | 5,45,020 |
| - Amount in ₹ | 232.55 | 54.50 |
| Add: Shares issued during the period/year | | |
| - Number of shares | - | 17,80,462 |
| - Amount in ₹ | - | 178.05 |
| Balance at the end of the period/year | | |
| - Number of shares | 23,25,482 | 23,25,482 |
| - Amount in ₹ | 232.55 | 232.55 |

c) Consolidated Shareholders holding more than 5% of the shares of the Company

| Particulars | Consolidated | Consolidated |
|-----------------------------------|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Equity shares of ₹ 10 each | | |
| Chanakayaprakash V Mangal | | |
| - Number of shares | 4,14,820 | 4,14,820 |
| - Percentage holding (%) | 17.84% | 17.84% |
| Chandraguptprakash V Mangal | | |
| - Number of shares | 4,39,775 | 4,39,775 |
| - Percentage holding (%) | 18.91% | 18.91% |
| Rashmi V Mangal | | |
| - Number of shares | 1,81,378 | 1,81,378 |
| - Percentage holding (%) | 7.80% | 7.80% |
| Vipinprakash O Mangal | | |
| - Number of shares | 1,91,388 | 1,91,388 |
| - Percentage holding (%) | 8.23% | 8.23% |
| Om Prakash Mangal | | |
| - Number of shares | 2,85,715 | 2,85,715 |
| - Percentage holding (%) | 12.29% | 12.29% |
| Mangalam Worldwide Pvt Ltd | | |
| - Number of shares | 3,50,001 | 3,50,001 |
| - Percentage holding (%) | 15.05% | 15.05% |
| Zaddoc Nutrition Pvt Ltd | | |
| - Number of shares | 4,02,872 | 4,02,872 |
| - Percentage holding (%) | 17.32% | 17.32% |
| | - | |

d) **Terms & Rights attached to Equity Shares.**

The Company has equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportionate to their shareholding.

Notes

- 1 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .
- 2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Mangalam Global Enterprise Limited

Annexure 6: Consolidated Statement of Reserves and surplus (Amount in Lakhs)

| Particulars | Consolidated | Consolidation |
|--|-----------------|-----------------|
| | 30.06.2019 | 31.03.2019 |
| A. Securities premium account | | |
| Balance at the beginning of the period / year | 2,962.63 | 450.00 |
| Add : On shares issued | - | 2,512.63 |
| Less : Utilisation of premium for redemption of preference shares | - | - |
| Balance at the end of the period/year | 2,962.63 | 2,962.63 |
| B. Surplus in the Restated Summary Statement of Profit and Loss | | |
| Balance at the beginning of the period/year | 237.74 | 30.02 |
| Adjustment of Opening Difference | - | - |
| Less: Pre acquisition /Capital Profit transferred -Goodwill on Consolidation | - | (18.28) |
| Add/Less: Prior Period Adjustment | 0.33 | - |
| Add: Capital Reserve Created Due to Consolidation | - | - |
| Add : Transferred from the Restated Summary Statement of Profit and Loss | 102.11 | 227.31 |
| Less: Dividend paid on equity (F.Y. 2017-18) | - | (1.09) |
| Less: Tax on dividend (F.Y. 2017-18) | - | (0.22) |
| Balance at the end of the period/year | 340.17 | 237.74 |
| | - | - |
| | 3,302.80 | 3,200.37 |

*Pursuant to amendment in Accounting Standard (AS) – 4, 'Contingencies and Events Occurring After the Balance Sheet date through Companies (Accounting Standards) Amendment Rules, 2016, the Company has changed its accounting policy in respect of dividend, i.e., if the Company declares dividend to shareholders after the Balance Sheet date, the Company will not recognise those dividends as a liability at the Balance Sheet date unless a statute requires otherwise. Whereas, earlier, the dividends in respect of the period covered by the financial statements, which were proposed or declared by the Company after the Balance Sheet date but before approval of the financial statements, were recorded as liability in the financial statements. Therefore, the Company has made the following adjustments in its reserves and surplus in the restated consolidated financial information for five years

Mangalam Global Enterprise Limited

Annexure 7: Consolidated Statement of Long- term Borrowings

(Amount in Lakhs)

| Particulars | Consolidated | | Consolidated | |
|---|-----------------|-----------------|-----------------|-----------------|
| | 30.06.2019 | | 31.03.2019 | |
| | Long-term | Short-term | Long-term | Short-term |
| Secured | | | | |
| (a) Term loans from others | | | | |
| ICICI Bank Limited (Vehicle Loans) (Secured against respective Vehicle) | 24.43 | - | 28.90 | - |
| Industrial Term Loan- The Mehsana Uraban Co Op Bank | 738.83 | - | 757.76 | - |
| Machinery Term Loan- The Mehsana Uraban Co Op Bank | 303.38 | - | 314.63 | - |
| (b) Loans repayable on demand | | | | |
| Working capital loan from banks | | - | | - |
| Axis Bank (Credit Line against pledge of Warehouse/Storage Receipt) | | 304.06 | | 307.49 |
| HDFC Bank CC | | 1,605.18 | | 663.87 |
| HDFC Bank EPC | | 200.00 | | 100.26 |
| ECL Finance Ltd.-Commodity Loan | | 911.47 | | - |
| HDFC Bank Ltd.-Short Term Loan Pledge | | 997.89 | | - |
| IndusInd Bank Ltd.-Commodity Pledge Loan | | 152.57 | | - |
| Kotak Mahindra Bank Ltd. Commodity Pledge Loan | | 257.82 | | - |
| | 1,066.64 | 4,429.00 | 1,101.28 | 1,071.62 |
| Unsecured | | | | |
| (c) Loans from related parties | | | | |
| From Directors | 596.68 | 676.54 | 576.33 | - |
| Inter Corporate Deposits | 453.33 | 160.78 | - | - |
| | - | - | - | - |
| (d) Term loans | | | | |
| From banks | - | - | - | - |
| From others | - | - | - | - |
| (e) Others | | | | |
| HDFC Bank LCBD | - | - | - | - |
| | 1,050.01 | 837.33 | 576.33 | - |
| | 2,116.65 | 5,266.33 | 1,677.61 | 1,071.62 |

Annexure 7(a): Principal terms and conditions of Long-term borrowings as at 30 June 2019

| Sr. no. | Name of the lender | Currency of loan | Sanctioned amount (₹) | Principal amount outstanding as on 30 June 2019 (₹) | Rate of interest (p.a.) | Tenure of the loan (in months/ in days) | Repayment schedule of loans | Security |
|---------|---|------------------|-----------------------|---|-------------------------|---|--|--|
| 1 | ICICI Bank | INR | 64 Lakhs | 40.48 | 7.74% | 48 M | Equated monthly installments amounting to Rs 1.54 lakhs | Loan is secured against respective Vehicle |
| 2 | The Mehsana Urban Co-Operative Bank Limited | INR | 350 Lakhs | 303.38 | 11.50% | 72 M | Equated monthly installments amounting to Rs 6.75 lakhs | <p>Loan is secured against:</p> <p>Primary Security: Hypothication of Stock of Raw Material, Stock-in-Process, Finished Goods Stores & Spares, Book-debt Statement, Machinery which is installed in factory premises. Land and Buiding of factory premises and Vehicle Registration under Mehsana RTO Office HP by the Mehsana Urban Co op Babk Ltd. FDR Margin and letter of Counter Guarantee.</p> <p>Collateral Securities: EM of One Factory building, Three Residential Buildings, Seven Residentail NA Plots And Various Machineries and Parts Worth Rs. 1945.37 Lakhs As per the Details Mentioned in the Sanction Lettter</p> |
| 3 | The Mehsana Urban Co-Operative Bank Limited | INR | 850 Lakhs | 738.83 | 12.00% | 96 M | Equated monthly installments amounting to Rs 13.81 lakhs | Personal Guarantee of Chanakya Prakash Mangal and Brijeshkumar Vasantlal Rajgor |

Notes

- The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .
- The above statememnt should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 7(b): Principal terms and conditions of Short-term borrowings as at 30 June 2019

| Sr. no. | Name of the lender | Currency of loan | Sanctioned amount (₹) | Principal amount outstanding as on 30 June 2019 (₹) | Rate of interest (p.a.) | Tenure of the loan (in months) | Repayment schedule of loans | Security |
|---------|--|------------------|-----------------------|---|--|--------------------------------|--|---|
| 1 | HDFC Bank CC | INR | 1500 Lakhs | 1,805.18 | MCLR + 1.60% | 12 M | Repayment on Demand | Loan is secured against : i) Primary Security :- Hypothecation of stock & book debts on entire exposure. ii) Collateral Security :- a. Plot No. 31, The Samast Brahmakshatriya Co. Operative Housing Society Ltd., Opp. Chandranaga Bus Stop, BRTS Road, Ahmedabad. b. Bunglow on Plot No. 19/B, Kalyan Society, Nr. Mahatma Gandhi International School, nagri Hospital Road, Ahmedabad. c. office no. 201, Setu Complex, P. Nagar Road, Nr. Girish Gold Drink, Ahmedabad |
| | HDFC Bank(Export Packing Credit/ Post Shipment Credit Facility (Sub Limit of CC) | INR | (1500 Lakhs) | | MCLR + 1.60% | 12 M | Repayment on Demand | |
| | HDFC Bank (Post Shipment Credit FBD/FBP/EBR/FBD Backed by LC) | INR | (1500 Lakhs) | | MCLR + 1.60% If availed in foreign currency: LIBOR + 250bps | 12 M | Repayment on Demand | |
| | HDFC Bank (Letter of Credit Sub Limit of CC) | INR | (1500 Lakhs) | | Commission of 1.50% per annum | 12 M | Repayment on Demand | |
| | HDFC Bank (Bank Guarantee Sub Limit of CC) | INR | (1500 Lakhs) | | Commission of 1.50% per annum | 12 M | Repayment on Demand | |
| | HDFC Bank (PSR) | INR | 500 lakhs | | As Per Product Note | 12 M | Repayment on Demand | |
| | HDFC Bank (DRUL (Sublimit of PSR)) | INR | (500 Lakhs) | | MCLR + 1.60% | 12 M | Repayment on Demand | |
| 2 | Edelweiss Finance Ltd | INR | 1000 Lakhs | 911.47 | 12% | 30 M | on or before expiry of the validity period | Loan is secured against: i) demand promissory note ii) any other security acceptable as its sole discretion such that security cover is achieved & is compliant with the extant rules iii) Pledge of approved commodities in the form manner acceptable to ECLFL |
| 3 | HDFC Bank | INR | 1500 Lakhs | 997.89 | 9.95% (MCLR + 1.15%) | 11 M | Repayable on demand | Loan is secured against : i) Pledge of entire inventory of commodity as a continuing security ii) Personal Guarantee of : a) Chanakya Mangal b) Chandragupt Mangal |
| 4 | Indusind Bank | INR | 500 Lakhs | 152.57 | 1 year MCLR + 0.75% p.a. payable at months rests, including CM Charges | 12 M | Repayable on demand | Loan is secured against:- i)Pledge of stock as per warehouse receipt from the borrower |
| 5 | Kotak Mahindra Bank | INR | 1000 Lakhs | 257.82 | MCLR 6M Rate + 1.00% | 270 days | Repayable on demand | Lien mark on demat receipt/ pledge of physical receipt of underlying commodities namely castor seeds |
| 6 | Axis Bank - pledge loan | INR | 400 Lakhs | 304.06 | MCLR + 3.05% p.a i.e. 11.65% | 12 M | Repayable on demand | Loan is secured against : i) Pledge of warehouse receipt / storage receipts with lien noted in favour of bank ii) Personal Guarantee of : a) Chanakya Mangal b) Chandragupt Mangal |

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Annexure 8: Consolidated Deferred tax assets/Liabilities

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|---|---------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| <u>Deffered Tax Assets & Liabilities Provision</u> | | |
| WDV As Per Companies Act 2013 | 2,272.30 | 1,857.18 |
| WDV As Per Income Tax Act | 2,033.61 | 1,655.49 |
| Difference in WDV | 238.69 | 201.69 |
| Gratuity Provision | (0.92) | (1.83) |
| Other Disallowance Including u/s 43B | 0.04 | 0.45 |
| Unabsorbed Depreciation Loss AY 2019-20 | (157.89) | (114.20) |
| Adjustment on account of Section 28 to 44 DA Income tax Act, 1961 | 0.97 | (2.21) |
| Total Timming Differece | 80.89 | 83.91 |
| Tax Rate as per Income Tax | 25.17% | |
| (DTA) / DTL | 20.36 | 23.34 |
| <u>Deffered Tax Assets & Liabilities Summary</u> | | |
| Opening Balance of (DTA) / DTL | 23.34 | 6.20 |
| Add: Provision for the Year | (2.99) | 17.14 |
| Closing Balance of (DTA) / DTL | 20.36 | 23.34 |

Note:

In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Assets (net of Liabilities) is provided in the books of account as at the end of the year.

Annexure 9: Consolidated Statement of Other long-term liabilities

| Particulars | Consolidated | |
|-----------------------------|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Advance Rent / Rent Deposit | 14.20 | 14.20 |
| Other Liabilities | 3.31 | 2.70 |
| | 17.51 | 16.90 |

Annexure 10: Consolidated Statement of Provisions

| Particulars | Consolidated | | Consolidated | |
|---|--------------|---------------|--------------|---------------|
| | 30.06.2019 | | 31.03.2019 | |
| | Long-term | Short-term | Long-term | Short-term |
| Provision for employee benefits | | | | |
| Provision for gratuity (refer note (a)) | 2.27 | 0.47 | 1.62 | 0.20 |
| Provision for Leave Encashment (refer note (b)) | - | 4.23 | | 4.23 |
| Provision for Others | - | 71.06 | | 56.65 |
| Provision for tax (net of advance tax) | - | 37.80 | | 92.04 |
| | - | - | | |
| | 2.27 | 113.55 | 1.62 | 153.12 |

Note:

- 2** The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .
- 3** The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

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Annexure 10: Consolidated Statement of Provisions

(Amount in Lakhs)

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

| Particulars | As at 30th June 2019 | As at 31 March 2019 |
|--|----------------------|---------------------|
| Change in benefit obligation | | |
| Projected benefit obligation (PBO) at the beginning of the period / year | 1.83 | |
| Service cost | 2.66 | 1.83 |
| Interest cost | 0.04 | |
| Actuarial loss/(gain) | (1.78) | |
| Benefits paid | | |
| PBO at the end of the period / year | 2.74 | 1.83 |
| Net gratuity cost comprises*: | | |
| Service cost | 2.66 | 1.83 |
| Interest cost | 0.04 | - |
| Recognised net actuarial loss/ (gain) | (1.78) | - |
| Net gratuity costs | 0.92 | 1.83 |

* These expenses have been recognised under Annexure 23

The actuarial assumptions used in accounting for the gratuity plan were as follows:

| | | |
|---|---|---|
| Discount rate | 7.70% | 7.70% |
| Rate of increase in compensation levels | 8.33% | 8.33% |
| Attrition Rate | 5 % younger ages and reducing to 1 % at older ages according to graduated scale | 5 % younger ages and reducing to 1 % at older ages according to graduated scale |
| Mortality rate | Indian Assured Lives Mortality(2006-08) Ult | Indian Assured Lives Mortality(2006-08) Ult |
| Retirement age | 60 years | 70 years |

Details of present value of obligation, plan assets and experience adjustments:

| Particulars | As at 30th June 2019 | As at 31 March 2019 |
|-------------------------------------|----------------------|---------------------|
| Present value of obligation | 2.74 | 1.83 |
| Fair value of plan assets | - | - |
| Deficit | 2.74 | 1.83 |
| Experience adjustments: | | |
| On plan liabilities:- (gain) / loss | | (0.28) |
| On plan assets:- gain / (loss) | - | - |

Annexure 11: Consolidated Statement of Trade payables

| Particulars | Consolidated | Consolidated |
|--|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Dues of micro and small enterprises (refer note below) | | |
| Dues to others | 192.46 | 59.36 |
| Creditors for Expenses | 91.96 | 97.61 |
| | 284.41 | 156.97 |

Note: Micro and Small Enterprises

The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

Annexure 12: Consolidated Statement of Other current liabilities**(Amount in Lakhs)**

| Particulars | Consolidated | Consolidated |
|--|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Current maturities of long-term borrowings | | |
| ICICI Bank Vehicle Loan Installments repayable with in 12 Months | 16.04 | 15.64 |
| Industrial Term Loan- The Mehsana Urban Co Op Bank | 75.85 | 73.69 |
| Machinery Term loan- The Mehsana Urban Co Op Bank | 43.29 | 35.37 |
| Other Current Liabilities | | |
| Interest Accrued But Not Due | 33.06 | 12.56 |
| Statutory dues | 43.88 | 33.23 |
| Advance from customers | 0.42 | 1.43 |
| Creditor for Capital Goods | 346.83 | 238.71 |
| Other Payables | 0.04 | - |
| | 559.41 | 410.64 |

Notes:

Advance received from the customers have been taken as certified by the management of the company and no security has been offered by the company against the same.

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Annexure 13: Consolidated Statement of Property, Plant and Equipment

| Gross block | Land | Building | Plant & Equipment | Computers | Furniture & Fixture | Office Equipment | Vehicles | Total |
|--|--------|----------|-------------------|-----------|---------------------|------------------|----------|----------|
| Balance as at 1 April 2016 | 188.49 | 48.00 | - | 0.32 | 2.37 | 1.47 | - | 240.65 |
| | 222.09 | 93.63 | - | - | - | 0.51 | - | 316.23 |
| Balance as at 31 March 2017 | 410.58 | 141.63 | - | 0.32 | 2.37 | 1.98 | - | 556.88 |
| | 82.88 | - | - | 0.82 | 2.14 | 6.03 | 69.14 | 161.01 |
| Balance as at 31 March 2018 | 493.46 | 141.63 | - | 1.14 | 4.50 | 8.01 | 69.14 | 717.89 |
| Additions | 74.47 | 461.27 | 1,168.76 | 9.11 | 1.25 | 72.92 | 11.50 | 1,799.28 |
| Balance as at 31 March 2019 | 567.93 | 602.90 | 1,168.76 | 10.25 | 5.75 | 80.94 | 80.65 | 2,517.17 |
| Additions | - | 31.36 | 411.37 | 5.69 | - | 0.98 | - | 449.41 |
| Balance as at 30th June 2019 | 567.93 | 634.26 | 1,580.14 | 15.94 | 5.75 | 81.91 | 80.65 | 2,966.58 |
| Accumulated depreciation and amortisation | | | | | | | | |
| Balance as at 1 April 2016 | - | 1.19 | - | 0.17 | 0.36 | 0.39 | - | 2.12 |
| Depreciation charge | - | 1.74 | - | 0.10 | 0.23 | 0.32 | - | 2.39 |
| Balance as at 31 March 2017 | - | 2.93 | - | 0.27 | 0.59 | 0.71 | - | 4.50 |
| Depreciation charge | - | 2.48 | - | 0.19 | 0.34 | 0.99 | 2.74 | 6.73 |
| Balance as at 31 March 2018 | - | 5.41 | - | 0.46 | 0.93 | 1.70 | 2.74 | 11.24 |
| Depreciation charge | - | 12.22 | 54.09 | 1.97 | 0.51 | 4.34 | 8.32 | 81.45 |
| Balance as at 31 March 2019 | - | 17.63 | 54.09 | 2.42 | 1.44 | 6.04 | 11.06 | 92.69 |
| Depreciation charge | - | 4.51 | 26.48 | 0.97 | 0.14 | 1.38 | 2.39 | 35.87 |
| Balance as at 30th June 2019 | - | 22.14 | 80.57 | 3.39 | 1.58 | 7.42 | 13.45 | 128.56 |
| Net block | | | | | | | | |
| Balance as at 31 March 2017 | 410.58 | 138.70 | - | 0.05 | 1.78 | 1.27 | - | 552.38 |
| Balance as at 31 March 2018 | 493.46 | 136.21 | - | 0.69 | 3.57 | 6.31 | 66.41 | 706.65 |
| Balance as at 31 March 2019 | 567.93 | 585.26 | 1,114.67 | 7.83 | 4.30 | 74.90 | 69.59 | 2,424.48 |
| Balance as at 30th June 2019 | 567.93 | 612.12 | - | 12.55 | 4.17 | 74.49 | 67.20 | 2,838.02 |

| Capital WIP | 30.06.2019 | 31.03.2019 |
|---|--------------|---------------|
| Work - in - Progress | | |
| Gross Block Opening Balance | 436.25 | - |
| Addition during the year | 24.29 | 436.25 |
| Reduction during the year | 420.16 | - |
| Gross Block Closing Balance...A | 40.38 | 436.25 |
| Opening Accumulated depreciation | - | - |
| Depreciation charged during the year | - | - |
| Reduction/Adj. During the year | - | - |
| | - | - |
| Accumulated Depreciaton (Closing Balance)..B | | |
| Net Block (A-B) | 40.38 | 436.25 |
| | | |
| Total of WIP | 40.38 | 436.25 |

Notes

1 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .

2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

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Annexure 13A: Goodwill on Consolidation

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|---|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Balance at the beginning of the period / year | 176.54 | |
| Add : On acquisition of subsidiaries during the Year | | |
| (a) Hindprakash Castor Derivatives Pvt Ltd | - | 180.21 |
| (b) Mangalprakash Singapore (Pte) Ltd | - | |
| (c) Farpoint LLP (Capital Reserve on Consolidation) | - | (3.67) |
| | - | 176.54 |
| Balance at the end of the period/year | 176.54 | 176.54 |

Notes

1 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .

2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 14: Consolidated Statement of Intangible assets

| Gross block | Computer software | Total |
|--------------------------------------|-------------------|-------|
| Balance as at 1 April 2016 | 0.11 | 0.11 |
| Additions | - | - |
| Capitalisation | - | - |
| Balance as at 31 March 2017 | 0.11 | 0.11 |
| Additions | 0.16 | 0.16 |
| Balance as at 31 March 2018 | 0.27 | 0.27 |
| Additions | 0.63 | 0.63 |
| Balance as at 31 March 2019 | 0.90 | 0.90 |
| Additions | 1.69 | 1.69 |
| Balance as at 30 th June 2019 | 2.59 | 2.59 |
| Accumulated amortisation | | |
| Balance as at 1 April 2016 | 0.06 | 0.06 |
| Amortisation charge | 0.03 | 0.03 |
| Balance as at 31 March 2017 | 0.09 | 0.09 |
| Amortisation charge | 0.03 | 0.03 |
| Balance as at 31 March 2018 | 0.12 | 0.12 |
| Amortisation charge | 0.14 | 0.14 |
| Balance as at 31 March 2019 | 0.26 | 0.26 |
| Amortisation charge | 0.11 | 0.11 |
| Balance as at 30 th June 2019 | 0.37 | 0.37 |
| Net block | | |
| Balance as at 31 March 2017 | 0.02 | 0.02 |
| Balance as at 31 March 2018 | 0.15 | 0.15 |
| Balance as at 31 March 2019 | 0.64 | 0.64 |
| Balance as at 30 th June 2019 | 2.22 | 2.22 |

Notes

1 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .

2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 15: Consolidated Statement of Non-current investments

| Particulars | Consolidated | Consolidated |
|--|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Investment in Equity Instruments (Unquoted) | | |
| (i) of subsidiaries | | |
| 100000 (PY Nil) ordinary shares - Mangalprakash (Singapore) Pte. Ltd (Fully Paidup) | | |
| 60109 (PY Nil) Equity Shares in Hindprakash Castor Derivatives Pvt Ltd (of Rs. 10/- each Fully Paidup) | | |
| (ii) of associates | | |
| (iii) of others | | |
| 404255 (PY Nil) Equity Shares in ECS Environment Pvt Ltd (of Rs. 10/- each Fully Paidup) | 242.55 | 121.28 |
| Aggregate Value of Quoted Investment: CY -Rs nil (PY Rs Nil) | | |
| Market Value of Quoted Investment: CY -Rs nil (PY Rs Nil) | | |
| Aggregate Amount of Unquoted Investment : CY -Rs 39552340(PY Rs Nil) | | |
| 1,20,000 Equity shares of Mehsana Urban Cooperative Bank Ltd (of Rs. 25/- each fully paid) | 30.00 | 30.00 |
| Free Hold Land and Building | 91.49 | 91.17 |
| Investment in Partnership Firm | | |
| Farpoint Enterprise LLP - Capital Account | - | - |
| Farpoint Enterprise LLP - Current Account | - | - |
| Total Investment in Partnership Firm | - | - |
| | 364.05 | 242.45 |

| Particulars | Consolidated | Consolidated |
|--|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Aggregate amount of unquoted investments | 364.05 | 242.45 |

Notes

1 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .

2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

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Annexure 16: Consolidated Statement of Loans and advances

(Amount in Lakhs)

| Particulars | Consolidated | | Consolidated | |
|--|---------------|-----------------|---------------|-----------------|
| | 30.06.2019 | | 31.03.2019 | |
| | Long-term | Short-term | Long-term | Short-term |
| Unsecured, considered good (unless otherwise stated) | | | | |
| Prepaid Income Tax / MAT Credit / TDS (Net of Provisions, if any) {Note 1} | 9.61 | 2.79 | 9.61 | 78.78 |
| Deposit | 5.45 | - | 2.75 | - |
| Advance for Capital Goods / Investment Property | - | - | - | - |
| Capital Advance | 76.01 | - | 94.82 | - |
| Prepaid Expenses | - | - | - | - |
| Other Receivable / Rent Receivable | 14.51 | - | 12.48 | - |
| Loans and Advances to Related Parties | | | | |
| Loans Given | 367.50 | 176.00 | 50.00 | 8.55 |
| Others | | | | |
| Loans to Employees | - | 5.70 | - | 6.05 |
| Prepaid Expenses | - | 30.79 | - | 33.41 |
| Advance to Suppliers {Note 2.} | - | 100.47 | - | 280.50 |
| GST / VAT Receivable | - | 482.20 | - | 5.36 |
| Rent Receivable | - | 9.84 | - | 282.17 |
| Receivable under agency service business | - | - | - | - |
| Margin Money Given for Commodity Hedging Future Transaction | - | 103.39 | - | 70.86 |
| Other Receivable | - | 179.58 | - | 7.30 |
| Other Bank Deposits | - | 498.25 | - | 490.09 |
| | 473.09 | 1,589.00 | 169.67 | 1,263.06 |

Note 1. Advance given to suppliers have been taken as certified by the management of the company.

Note 2. No Securitites have been taken by the company against advances given to suppliers

Note 3 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .

Note 4 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

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Annexure 17: Consolidated Statement of Trade Receivables

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|---|-----------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Unsecured & Considered good | | |
| 1. From Directors/ Promoters / Promotor Group / Associates / Relative of Directors / Group Companies | | |
| O/s Exceeding 6 Months | 93.54 | 1.86 |
| O/s Not Exceeding 6 Months | 57.18 | 116.85 |
| | 150.72 | 118.71 |
| Less Provision for doubtful debts | | |
| | 150.72 | 118.71 |
| Other debts | | |
| O/s Exceeding 6 Months | 0.10 | 116.92 |
| O/s Not Exceeding 6 Months | 1,019.79 | 653.93 |
| | 1,019.89 | 770.85 |
| | 1,170.60 | 889.56 |

As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.

Trade Receivables as on 30th June, 2019 has been taken as certified by the Management of the Company.

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 18: Consolidated Statement of Inventories

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|---------------------|-----------------|-----------------|
| | 30.06.2019 | 31.03.2019 |
| Raw Material | | |
| Raw Material | 4,213.27 | 551.16 |
| | 4,213.27 | 551.16 |
| Finished Goods | 650.11 | 636.27 |
| Semi-Finished Goods | 480.46 | 229.54 |
| Packing Material | 86.19 | 60.27 |
| | 5,430.03 | 1,477.24 |

Note :-

Value of Inventories as on 30th June, 2019 has been taken as certified by the management of the company

Annexure 19: Consolidated Statement of Cash and Bank balances

| Particulars | Consolidated | Consolidated |
|--|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Cash and cash equivalents | | |
| Cash on hand | 14.62 | 73.42 |
| Balances with banks | 28.41 | 5.07 |
| | 43.04 | 78.49 |
| Other bank balances | | |
| Other Bank Deposits (Original Maturity more than 3 months) | | |
| | 43.04 | 78.49 |

Notes

- 1 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .
- 2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 20: Consolidated Statement of Revenue from operations

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|--|------------------|------------------|
| | 30.06.2019 | 31.03.2019 |
| Revenue from operations | | |
| Sale of products | 14,484.55 | 38,323.12 |
| Sale of services | 127.03 | 596.39 |
| Other operating revenue | 16.31 | 61.00 |
| Rental Income from Long Term Investment Property | | |
| | 14,627.89 | 38,980.52 |

20.1 Annexure to Revenue from Operations

| Particulars | Consolidated | Consolidated |
|---|------------------|------------------|
| | 30.06.2019 | 31.03.2019 |
| Details of Sales of Products - Trading | | |
| Textile and Textile Mrchandise | - | - |
| Dyes | - | - |
| Intermediates | - | - |
| Edible Oil | - | - |
| Cloth | - | - |
| Castor Oil | 541.06 | 8,130.35 |
| Castor Seeds | 121.43 | 1,577.18 |
| Others | - | 106.39 |
| | - | - |
| Details of Sales of Products - Manufacturing | | |
| Castor Oil | 12,635.99 | 26,415.11 |
| Castor DOC | 777.80 | 1,817.05 |
| Cotton Bales | 304.49 | 323.79 |
| Cotton Seeds | 68.20 | 80.16 |
| Others | 35.57 | 33.42 |
| | - | - |
| Details of Service Income | | |
| Agency Service Income | 127.03 | 596.39 |
| | - | - |
| Other operating revenues Comprises | | |
| Export Incentive Income | 0.68 | 0.46 |
| Lease Operating Income | 15.62 | 61.02 |
| | | |
| | 14,627.89 | 38,981.00 |

Notes

The figures disclosed above are based on the Restated Consolidated summary statement of Profit & Loss of the company .

2. The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4(A) respectively.

Annexure 21: Consolidated Statement of Other income

| Particulars | Consolidated | Consolidated |
|---|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Interest on Income - Others | 0.14 | 0.09 |
| Interest from Loans and Advance | 4.25 | 3.52 |
| Gain on sale of Investment | | 1.18 |
| Gain on Foreign exchange | 8.3 | 2.71 |
| -Interest from banks on Deposit | 9.06 | 0.1 |
| -Interest from Delayed Supply of Goods | 0.04 | 6.72 |
| Other Non Operating Income | | - |
| -Sale of Scrap | | 0.13 |
| Consultancy income | 0.25 | 0.25 |
| - Balance Written off | | |
| | 22.04 | 14.70 |
| Profit before tax | 132.4 | 344.04 |
| % of other income to profit before tax | | |

Note:

- 1 All the items of other income are related to business activities. Further, out of all the items of other income only interest income from deposits and gain on foreign currency translations and transactions are recurring and the remaining are non-recurring in nature.
- 2 The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.
- 3 The figures disclosed above are based on the Restated Consolidated summary statement of assets & liabilities of the company .
- 4 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 22. Consolidated Statement Cost of Material Consumed (including Cost of Traded Goods Sold)

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|---------------------|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Opening Stock | 551.16 | - |
| Add: Purchases | 16943.47 | 18,845.74 |
| Less: Closing Stock | -4213.27 | (551.16) |
| | 13281.35 | 18,294.58 |

Annexure 23: Consolidated Statement of Purchase of stock-in-trade

| Particulars | Consolidated | Consolidated |
|--|--------------|--------------|
| | 30.06.2019 | 31.03.2019 |
| Inventory at the beginning of the year | | |
| Add: Purchases | 750.62 | 19,614.86 |
| Inventory at the end of the year | | |
| | 750.62 | 19,614.86 |

Annexure 23. Consolidated Statement of Change In Inventory of Finished Goods, Stock In Trade and WIP

| Particulars | Consolidated | Consolidated |
|---|-----------------|-----------------|
| | 30.06.2019 | 31.03.2019 |
| <u>Finished Goods / Stock In Trade</u> | | |
| Opening Stock | 636.27 | - |
| Less: Closing Stock | (650.11) | (636.27) |
| <u>WIP</u> | | |
| Opening Stock | 229.54 | - |
| Less: Closing Stock | (480.46) | (229.54) |
| | (264.76) | (865.81) |

Note:

The figures disclosed above are based on the Restated Consolidated summary statement 1 of Profit & Loss of the company .

The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated 2 Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 24: Consolidated Statement of Employee benefits expense

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|--|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Director Remuneration | 18.13 | 23.75 |
| Salaries, wages and bonus | 97.43 | 217.93 |
| Contributions to Provident Fund and Other Fund | 1.32 | 2.53 |
| Gratuity and Leave Encashment / Reversal | 0.92 | 6.05 |
| Staff welfare expenses | 5.89 | 3.88 |
| | 123.69 | 254.15 |

Annexure 25: Consolidated Statement of Finance costs

| Particulars | Consolidated | Consolidated |
|--------------------------|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Interest expense: | | |
| Interest expense | 154.44 | 315.61 |
| Other Borrowing Cost | 0.1 | 25.02 |
| | 154.54 | 340.63 |

Note:

1 The figures disclosed above are based on the Restated Consolidated summary statement of Profit & Loss of the company .

2 The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 26: Consolidated Statement of Other expenses

(Amount in Lakhs)

| Particulars | Consolidated | Consolidated |
|---|---------------|---------------|
| | 30.06.2019 | 31.03.2019 |
| Manufacturing Expenses | | |
| Power & Fuel | 58.18 | 169.58 |
| Loading-Unloading Expense | 22.90 | 38.01 |
| Lease Rent Expense | 6.31 | 16.75 |
| Factory Consumable | 16.84 | 76.81 |
| Other Factory Expense | 0.16 | 18.95 |
| Repair & Maintenance - Plant & Machinery | 27.12 | 40.42 |
| Repair & Maintenance - Others | 0.66 | 2.01 |
| Raw Material (Commodity) Hedging Cost | 25.01 | 12.08 |
| Packing Expenses | 5.30 | 9.12 |
| Total | 162.47 | 383.74 |
| Administrative, Selling and Other Expenses | | |
| Advertisement Expenses | - | 0.40 |
| Audit Fees | 1.16 | 3.04 |
| Bank Charges | 1.67 | 0.69 |
| Business Promotion Expenses | 0.57 | 6.30 |
| Commission & Brokerage Expenses | 0.80 | 4.91 |
| Conveyance Expenses | 1.14 | 3.96 |
| Electricity Expenses | 7.69 | 2.31 |
| Freight & Cartage etc | 46.62 | 135.39 |
| Legal Consultancy Expenses | 2.40 | 27.23 |
| Consultancy Expenses | 6.33 | 69.97 |
| Office Expenses | 3.77 | 8.07 |
| Foreign Exchange Loss | 1.52 | 3.86 |
| Other Expenses | 0.19 | 3.61 |
| Insurance Expenses | 0.64 | 2.01 |
| Payments to the Auditor | 1.28 | 3.85 |
| Preliminary Expenses | - | 0.19 |
| Postage and Angadia | 4.66 | 0.43 |
| Printing and Stationary Expenses | 0.00 | 2.39 |
| Rates & Taxes | 1.20 | 2.59 |
| Royalty Expenses | 1.21 | - |
| Rent | 2.96 | - |
| Repairs and Maintenance Buildings | 18.29 | 3.03 |
| Repairs and Maintenance Others | 5.00 | 10.44 |
| Sales Commission Expenses | 2.94 | 24.79 |
| Tele Communication Expenses | 143.74 | 1.83 |
| Travelling Expenses | 1.22 | 15.53 |
| Donation | - | 1.01 |
| Testing Fees | 10.73 | 4.14 |
| Outward Freight / Loading Unloading | 5.91 | 183.65 |
| Cash Discount | - | 0.44 |
| Handling Expenses | - | 9.10 |
| Export Freight And Expenses | - | 7.88 |
| Godown / Storage Tank Rent | - | 4.09 |
| Total | 273.64 | 547.11 |
| | - | |
| Grand Total | 436.12 | 930.85 |

Notes

- The figures disclosed above are based on the Restated Consolidated summary statement of Profit & Loss of the company .
The above statement should be read with the Restated Consolidated statement of assets & liabilities, Restated Consolidated statement of Profit & Loss, Restated Consolidated statement of Cashflow, significant accounting policies & notes to restated Consolidated

Annexure 27: Consolidated Statement of Accounting and other ratios

(Amount in Lakhs)

| Sr. no. | Particulars | 1 April 2019 to 30 June 2019 | For the Year Ended on March 31, 2019 |
|---------|---|------------------------------|--------------------------------------|
| A | Net worth, as restated (₹) | 3,535.35 | 3,432.91 |
| B | Profit after tax, as restated (₹) | 102.11 | 227.31 |
| | Weighted average number of equity shares outstanding during the period/ year | | |
| C | For Basic earnings per share | 23,25,482 | 5,49,898 |
| D | For Diluted earnings per share | 23,25,482 | 5,49,898 |
| E | For Basic earnings per share after bonus issue | 116,27,410 | 98,51,826 |
| F | For Diluted earnings per share after bonus issue | 116,27,410 | 98,51,826 |
| | Earnings per share | | |
| G | Basic earnings per share (₹) (B/C) | 4.39 | 41.34 |
| H | Diluted earnings per share (₹) (B/D) | 4.39 | 41.34 |
| I | Basic earnings per share after bonus issue (₹) (B/E) | 0.88 | 2.31 |
| J | Diluted earnings per share after bonus issue (₹) (B/F) | 0.88 | 2.31 |
| K | Return on Net Worth (%) (B/A*100) | 2.89% | 6.62% |
| L | Number of shares outstanding at the end of the period/ year | 23,25,482 | 23,25,482 |
| M | Number of shares outstanding at the end of the period/ year after bonus issue | 116,27,410 | 116,27,410 |
| N | Net asset value per equity share of ₹ 10 each (A/L) | 152.03 | 147.62 |
| O | Net asset value per equity share of ₹ 10 each after bonus issue (₹) (A/M) | 30.41 | 29.52 |
| P | Face value of equity shares (₹) | 10.00 | 10.00 |

Notes :-

1) The ratios have been computed in the following manner :

a) Basic and Diluted earnings per share (₹)

$$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$$

b) Return on net worth (%) =

$$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at period/ year end}}$$

c) Net asset value per share (₹)

$$\frac{\text{Restated Net Worth as at period/ year end}}{\text{Total number of equity shares as at period/ year end}}$$

2) The figures disclosed above are based on the Restated Financial Information of the Company.

3) Ratios for the three months ended 30th June 2019 have not been annualized.

4) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as a proportion of total number of days

5) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).

6) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

Mangalam Global Enterprise Limited

Annexure 28: Restated Statement of Capitalisation

(Amount in Lakhs)

| Particulars | Pre Issue as at June 30, 2019 | Post Issue |
|---|----------------------------------|--------------|
| Borrowings | | |
| Short- term | 5,266.33 | 5,266.33 |
| Long- term (including current maturities) (A) | 2,251.82 | 2,251.82 |
| Total Borrowings (B) | 7,518 | 7,518 |
| Shareholders' funds | | |
| Share capital | 232.55 | 1,605.74 |
| Reserves and surplus | 3,302.80 | 4,142.91 |
| Total Shareholders' funds (C) | 3,535.35 | 5,749 |
| Long- term borrowings/ equity* {(A)/(C)} | 0.64 | 0.39 |
| Total borrowings / equity* {(B)/(C)} | 2.13 | 1.31 |

* equity= total shareholders' funds

Notes:

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in other current liabilities).
- 2 The above ratios have been computed on the basis of the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information of the Company

Mangalam Global Enterprise Limited

Annexure 29: Consolidated Statement of Related Party Transaction

(Amount in Lakhs)

| Name of Party | Nature of Relation | Nature of Transaction | Amount outstanding as on 30.06.2019 Payable/(Receivable) | Amount of Transaction debited upto 30.06.2019 | Amount of Transaction credited upto 30.06.2019 | Amount outstanding as on 31.03.2019 Payable/(Receivable) | Amount of Transaction debited in 2018-19 | Amount of Transaction credited in 2018-19 |
|---|----------------------|-------------------------|--|---|--|--|--|---|
| Vipin Prakash Mangal (Holding Co.) | Promoter | Foreign Travelling Exps | - | - | - | - | - | - |
| | | Share Issue | - | - | - | - | 135.22 | 135.22 |
| | | Reimbursement Expense | - | 4.14 | 4.14 | - | - | - |
| | | Interest on Borrowing | 14.16 | - | 14.16 | - | - | - |
| Om Prakash Mangal (Holding Co.) | Relative of Promoter | Loan | 518.83 | 229.25 | 762.25 | - | 199.23 | 199.23 |
| | | Share Issue | - | - | - | - | 135.22 | 135.22 |
| Hemalata Omprakash Mangal (Holding Co.) | Relative of Promoter | Unsecured Loans | - | - | - | - | 452.50 | 450.00 |
| | | Salary | 0.88 | - | 0.88 | - | 4.50 | 4.50 |
| Sanjay Prakash Mangal (Holding Co.) | Relative of Promoter | Share Issue | - | - | - | - | - | 50.00 |
| | | Loan | - | - | - | - | - | - |
| Rashmi Mangal (Holding Co.) | Relative of Promoter | Salary | 0.99 | - | 0.99 | - | - | - |
| | | Share Issue | 2.35 | - | 2.35 | - | 4.50 | 4.50 |
| | | Interest on Borrowing | 0.67 | - | 0.67 | - | - | - |
| | | Loan | 47.50 | - | 47.50 | - | - | - |
| Chankya Prakash Mangal (Holding Co.) | Promoter | Foreign Travelling Exps | - | - | - | - | - | - |
| | | Rent | - | 4.39 | 4.39 | - | - | 0.05 |
| | | Rent Deposit | 2.70 | 2.70 | - | - | - | - |
| | | Investment | - | - | - | - | 0.50 | 0.50 |
| | | Interest on Borrowing | 0.08 | - | 0.08 | - | - | - |
| | | Loan | 3.00 | 7.00 | 10.00 | - | 665.63 | 556.05 |
| Chandragupt Prakash Mangal (Holding Co.) | Promoter | Share Issue | - | - | - | - | 351.43 | 351.43 |
| | | Foreign Travelling Exps | - | - | - | - | - | - |
| | | Salary | 3.31 | 6.00 | 9.31 | - | 4.50 | 4.50 |
| | | Share Issue | 2.31 | - | 2.31 | - | - | - |
| | | Foreign Travelling Exps | - | - | - | - | - | - |
| | | Interest on Borrowing | 0.12 | - | 0.12 | - | - | - |
| Mangalam Worldwide Private Limited (Holding Co.) | Associate Company | loan | 13.00 | - | 13.00 | - | 507.12 | 451.00 |
| | | Share Issue | - | - | - | - | 386.37 | 386.37 |
| | | Consultancy Fees | - | 6.50 | 6.50 | - | 10.25 | 10.25 |
| | | Reimbursement Expense | - | - | - | - | - | - |
| | | Share Issue | - | - | - | - | 645.00 | 645.00 |
| | | Sales (Rent) | - | - | - | - | 1.30 | 1.30 |
| Hind Prakash Castor Derivatives Pvt Ltd (Holding Co.) | Subsidiary Company | Sales & Purchase | 20.50 | 159.82 | 159.82 | 20.50 | 5,193.30 | 5,172.80 |
| | | Rent Deposit | 20.00 | - | - | 20.00 | 20.00 | - |
| | | Rent Expenses | - | - | - | - | - | - |
| | | Rent Income | 0.77 | 32.40 | 33.17 | - | 0.57 | 0.57 |
| | | Loans and Advance | 9.30 | 32.80 | 190.00 | 166.50 | 404.50 | 238.00 |
| | | Interest on advance | 7.63 | 3.83 | - | 3.81 | - | - |
| Hindprakash Tradelink Private Limited (Holding Co.) | Associate Company | Purchase | - | - | - | - | - | - |
| | | Sales | - | - | - | - | - | - |
| | | Interest on Borrowing | 0.87 | - | 0.87 | - | 6.92 | 6.92 |
| Shirshak Exim LLP (Holding Co.) | Associate Company | Loan | 160.00 | - | 160.00 | - | 980.75 | 980.75 |
| | | Reimbursement Expense | - | 0.03 | 0.03 | - | - | - |
| Zaddoc Nutrition Private Limited (Holding Co.) | Associate Company | Purchase | - | - | - | - | 272.03 | 272.03 |
| | | Share Issue | - | - | - | - | 564.02 | 564.02 |
| Ecofine Colourchem Private Limited (Holding Co.) | Associate Company | Interest on Borrowing | - | - | - | - | 19.19 | 19.19 |
| | | Loans | - | - | - | - | 1,434.02 | 1,434.02 |
| ECS Environment Private Limited (Holding Co.) | Associate Company | Loans | 8.10 | - | - | 8.10 | 8.10 | - |
| | | Interest on advance | 0.50 | - | - | 0.50 | 0.50 | - |
| Rahul Rajgor (Subsidiary Co.) | Relative of Director | Purchase of fixed asset | - | - | - | - | - | 1.83 |
| | | Rent Income | 0.06 | - | - | 0.06 | 0.61 | 0.55 |
| | | Sales | 93.48 | - | 23.06 | 116.54 | 125.54 | 9.00 |
| Brijesh Rajgor (Subsidiary Co.) | Director | Unsecured Loan | 244.52 | - | 12.00 | 232.52 | 595.00 | 827.52 |
| | | Int on loan | 5.26 | - | 5.26 | - | - | - |
| | | Share issue | - | - | - | - | 0.50 | 0.50 |
| | | salary | - | - | - | - | 4.00 | 4.00 |
| Chankya Prakash Mangal (Subsidiary Co.) | Director | Purchase | 8.44 | - | - | 8.44 | 4,742.84 | 4,734.40 |
| | | Salary | - | - | - | - | 4.20 | 4.20 |
| | | Int on loan | 0.77 | - | 0.77 | - | - | - |
| | | Rent | - | 0.32 | 0.32 | - | - | - |
| | | Rent Deposit | 0.18 | 0.18 | - | - | - | - |
| | | Share issue | - | - | - | - | 0.50 | 0.50 |
| Shirshak Exim LLP (Subsidiary Co.) | Associate Concern | Loan | 53.00 | - | - | 53.00 | 51.00 | 104.00 |
| | | Share Issue | - | - | - | - | 59.50 | 59.50 |
| Om Oil Industries (Subsidiary Co.) | Associate Concern | Loan | 5.41 | 1.62 | 19.14 | 22.93 | 22.93 | - |
| | | Fixed Asset Purchase | 229.49 | - | - | 229.49 | 1,689.25 | 1,918.74 |
| Rashmi Mangal (Subsidiary Co.) | Relative of Director | Lease rent Expense | - | 2.00 | - | 2.00 | - | 2.00 |
| | | Salary | - | - | - | - | 4.10 | 4.10 |
| Vipin Prakash Mangal (Subsidiary Co.) | Relative of Director | Int on Loan | 0.77 | - | 0.77 | - | - | - |
| | | Loan | 23.00 | - | - | 23.00 | 51.00 | 74.00 |
| Chandragupt Prakash Mangal (Subsidiary Co.) | Relative of Director | Salary | - | - | - | - | 4.10 | 4.10 |
| | | Int on loan | 0.77 | - | 0.77 | - | - | - |
| Shankarlal Rajgor (Subsidiary Co.) | Relative of Director | Loan | 23.00 | - | - | 23.00 | 51.00 | 74.00 |
| | | Int on loan | 0.77 | - | 0.77 | - | - | - |
| Vasantkumar Shankarlal Rajgor (Subsidiary Co.) | Relative of Director | Consulting Expenses | - | - | - | - | 5.00 | 5.00 |
| | | Fixed Asset Purchase | - | - | - | - | 15.50 | 15.50 |
| Induben rajgor (Subsidiary Co.) | Relative of Director | Loan | 15.50 | - | - | 15.50 | - | 15.50 |
| | | Share issue | - | - | - | - | 2.00 | 2.00 |
| Anilkumar Vasudev Rajgor (Subsidiary Co.) | Relative of Director | Share Issue | - | - | - | - | 17.00 | 17.00 |
| | | Loan | - | - | - | - | - | - |
| Zenishaben Rajgor (Subsidiary Co.) | Relative of Director | Fixed Asset Purchase | - | - | - | - | 52.56 | 52.56 |
| | | Unsecured loan | 35.00 | - | - | 35.00 | - | 35.00 |
| Maheshkumar Shankarlal Rajgor (Subsidiary Co.) | Relative of Director | Share issue | - | - | - | - | 16.50 | 16.50 |
| | | Salary | - | - | - | - | 2.00 | 2.00 |
| Kiranben Maheshkumar Rajgor (Subsidiary Co.) | Relative of Director | Fixed Asset Purchase | - | - | - | - | 46.74 | 46.74 |
| | | Share issue | - | - | - | - | 17.00 | 17.00 |
| Pareshkumar Vasudev Rajgor (Subsidiary Co.) | Relative of Director | salary | - | - | - | - | 2.00 | 2.00 |
| | | Loan | 35.00 | - | - | 35.00 | - | 35.00 |
| Jagruti P Rajgor (Subsidiary Co.) | Relative of Director | Share issue | - | - | - | - | 17.00 | 17.00 |
| | | Loan | - | - | - | - | 2.00 | 2.00 |
| Rahul Rajgor (Subsidiary Co.) | Relative of Director | Fixed Asset Purchase | - | - | - | - | 46.26 | 46.26 |
| | | Share issue | - | - | - | - | 2.00 | 2.00 |
| Rahul Rajgor (Subsidiary Co.) | Relative of Director | Loan | 35.00 | - | - | 35.00 | - | 35.00 |
| | | Share issue | - | - | - | - | 17.00 | 17.00 |
| Rahul Rajgor (Subsidiary Co.) | Relative of Director | Loan | 40.61 | - | - | 40.61 | - | 40.61 |
| | | Share issue | - | - | - | - | - | - |

Auditor’s Report on the Restated Standalone Statement of Assets and Liabilities as at June 30, 2019, March 31, 2019, 2018 and 2017 Profit and Loss and Cash Flows for each of the years/Period ended on June 30, 2019, March 31, 2019, 2018 and 2017 of Mangalam Global Enterprise Limited (collectively, the “Restated Standalone Summary Statements”)

To,
The Board of Directors
Mangalam Global Enterprise Limited
101, Mangalam Corporate House, 19/B Kalyan Society,
Nr. M.G. International School, Mithakhali,
Ahmedabad - 380006

Dear Sir/Ma’am,

1. We have examined the attached Restated Standalone Summary Statements along with significant accounting policies and related notes of Mangalam Global Enterprise Limited (the “Company”) as at and for the period /each of the years ended June 30, 2019, March 31, 2019, 2018 and 2017 annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer (“IPO”) on the EMERGE Platform of NSE Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013(“the Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/Prospectus being issued by the Company for its proposed IPO of equity shares on EMERGE Platform of NSE Limited.; and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period/financial years ended on June 30, 2019, March 31, 2019, March 31, 2018 and March 31, 2017.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “Restated Standalone Summary Statement of Assets and Liabilities” as set out in **Annexure 1** to this report, of the Company as at June 30, 2019, March 31, 2019, March 31, 2018 and March 31,2017 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in

Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.

- (ii) The “Restated Standalone Summary Statement of Profit and Loss” as set out in **Annexure 2** to this report, of the Company for the period/years ended June 30, 2019, March 31, 2019, March 31, 2018 and March 31, 2017 are prepared by the Company and approved by the Board of Directors. These Restated Summary Standalone Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
 - (iii) The “Restated Summary Standalone Statement of Cash Flow” as set out in **Annexure 3** to this report, of the Company for the period/years ended June 30, 2019, March 31, 2019, March 31, 2018 and March 31, 2017 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
5. Based on the above and also as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the financial years ended June 30, 2019, March 31, 2019, March 31, 2018 and March 31, 2017 we are of the opinion that:
- a) the Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
 - b) the Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
 - c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
 - d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on June 30, 2019, March 31, 2019, March 31, 2018 and March 31, 2017 which would require adjustments in this Restated Financial Statements of the Company;
 - e) profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure 4 to this report;
 - f) adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Summary Statements;
 - g) there was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements except mentioned in clause (f) above;
 - h) there are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
 - i) the company has proposed and paid dividend(s) as per the dividend policy of the company effective for the said period.

6. **Opinion:**

In our opinion and to the best of information and explanation provided to us, and also as per the reliance placed on reports submitted by previous auditors, the restated financial information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure 4 are prepared after providing appropriate adjustments and regroupings as considered appropriate and disclosed in Annexure 4.

7. Audit for the period April 01, 2019 to June 30, 2019 has been conducted by M/s. Keyur Shah & Co., Chartered Accountants and for the financial year 2018-19, 2017-18 & 2016-17 has been conducted by M/s. Kedia & Kedia Associates., Chartered Accountants. Accordingly reliance has been placed on the financial information examined by these auditors for the said years. The financial report included for these years is based solely on the report submitted by these auditors for the said years. Further financial statements for the period / financial year ended on June 30, 2019 and March 31, 2019 have been re audited by us as per the relevant guidelines.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on June 30, 2019, March 31, 2019, March 31, 2018 and March 31, 2017 proposed to be included in the Draft Prospectus/Prospectus.
9. Prospectus (“**Offer Document**”) for the proposed IPO.

Annexure of Restated Financial Statements of the Company:-

- a. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
- b. Reconciliation of Restated Profit as appearing in Annexure 4 to this report.
- c. Reconciliation of Restated Equity/Net worth as appearing in Annexure 4 to this report.
- d. Details of Share Capital as Restated as appearing in Annexure 5 to this report;
- e. Details of Reserves and Surplus as Restated as appearing in Annexure 6 to this report;
- f. Details of Long Term/Short Term Borrowings as Restated as appearing in Annexure 7 to this report;
- g. Nature of Security and Terms of Repayment for Long term/Short Term Borrowings as appearing in Annexure 7A/7B to this report
- h. Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure 8 to this report;
- i. Details of Other Long Term Liabilities as Restated as appearing in Annexure 9 to this report;
- j. Details of Long Term/Short Term Provisions as Restated as appearing in Annexure 10 to this report;
- k. Details of Trade Payables as Restated as appearing in Annexure 11 to this report;
- l. Details of Other Current Liabilities as Restated as appearing in Annexure 12 to this report;
- m. Details of Property Plant & Equipment as Restated as appearing in Annexure 13 to this report;
- n. Details of Intangible Assets as Restated as appearing in Annexure 14 to this report;
- o. Details of Non-Current Investments as Restated as appearing in Annexure 15 to this report;
- p. Details of Long/Short Term Loans and Advances as Restated as appearing in Annexure 16 to this report;
- q. Details of Trade Receivables as Restated enclosed as Annexure 17 to this report;
- r. Details of Inventories as Restated as appearing in Annexure 18 to this report;
- s. Details of Cash and Cash Equivalents as Restated enclosed as Annexure 19 to this report;
- t. Details of Revenue from operations as Restated as appearing in Annexure 20 to this report;
- u. Details of Other Income as Restated as appearing in Annexure 21 to this report;
- v. Details of Cost of material consumed as restated as appearing in Annexure 22 to this report
- w. Details of Purchase of Stock in Trade as appearing in Annexure 23A
- x. Details of Change in Inventory of Finished Goods, Stock in Trade and WIP as appearing in Annexure 23B
- y. Details of Employee Benefit Expense as restated as appearing in Annexure 24 to this report

- z. Details of Finance Cost as restated as appearing in Annexure 25 to this report
 - aa. Details of Other Expense as restated as appearing in Annexure 26 to this report
 - bb. Details of Accounting and Other Ratios as appearing in Annexure 27 to this report.
 - cc. Statement of Tax Shelters as Restated as appearing in Annexure 28 to this report
 - dd. Capitalization Statement as Restated as at June 30, 2019 as appearing in Annexure 29 to this report;
 - ee. Details of Related Parties Transactions as Restated as appearing in Annexure 30 to this report;
10. We, Keyur Shah & Co., 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.
 11. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 12. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 14. In our opinion, the above financial information contained in Annexure 1 to 30 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
 15. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For Keyur Shah & Co.
Chartered Accountants
Firm’s Registration No.: 141173W

Sd/-
Keyur Shah
Proprietor
Membership No.: 153774
UDIN - 19153774AAAADJ3055

October 18, 2019
Ahmedabad

Annexure 1: Restated Summary Statement of Assets and Liabilities

| Particulars | Annexure | As at | As at 31 March | | |
|-----------------------------------|----------|-----------------|-----------------|---------------|---------------|
| | | 30 June, 2019 | 2019 | 2018 | 2017 |
| Equity and liabilities | | | | | |
| Shareholders' funds | | | | | |
| Share capital | 5 | 232.55 | 232.55 | 54.50 | 4.50 |
| Reserves and surplus | 6 | 3,115.67 | 3,010.29 | 480.02 | 4.12 |
| | | 3,348.22 | 3,242.84 | 534.52 | 8.62 |
| Non-current liabilities | | | | | |
| Long-term borrowings | 7 | 24.43 | 28.90 | 224.09 | 570.65 |
| Deferred tax liabilities (net) | 8 | 9.84 | 9.36 | 6.20 | 4.11 |
| Other long-term liabilities | 9 | 41.54 | 28.16 | 14.20 | 14.20 |
| Long-term provisions | 10 | 2.27 | 1.62 | - | - |
| | | 78.08 | 68.04 | 244.49 | 588.96 |
| Current liabilities | | | | | |
| Short-term borrowings | 7 | 5,266.33 | 1,071.62 | - | 49.00 |
| Trade payables | 11 | 216.66 | 127.31 | 126.69 | 2.11 |
| Other current liabilities | 12 | 74.31 | 55.39 | 18.89 | 46.23 |
| Short-term provisions | 10 | 111.95 | 149.61 | 10.16 | 3.27 |
| | | 5,669.25 | 1,403.93 | 155.74 | 100.61 |
| Total | | 9,095.55 | 4,714.81 | 934.75 | 698.19 |
| Assets | | | | | |
| Non-current assets | | | | | |
| (i) Property, plant and equipment | 13 | 708.19 | 707.35 | 706.65 | 552.38 |
| (ii) Intangible assets | 14 | 2.21 | 0.63 | 0.15 | 0.02 |
| (iii) Capital work-in-progress | 13 | 40.38 | 16.09 | - | - |
| Non-current investments | 15 | 516.85 | 395.57 | - | - |
| Long-term loans and advances | 16 | 39.96 | 35.24 | 14.41 | 1.43 |
| | | 1,307.59 | 1,154.88 | 721.21 | 553.83 |
| Current assets | | | | | |
| Trade receivables | 17 | 1,030.01 | 887.07 | 175.78 | 15.33 |
| Inventories | 18 | 5,418.19 | 1,477.24 | - | 2.11 |
| Cash and bank balances | 19 | 5.25 | 3.50 | 9.81 | 10.69 |
| Short-term loans and advances | 16 | 1,334.51 | 1,192.12 | 27.95 | 116.23 |
| | | 7,787.96 | 3,559.93 | 213.54 | 144.36 |
| Total | | 9,095.55 | 4,714.81 | 934.75 | 698.19 |

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure 4. as per our report of even date attached

For, Keyur Shah & Co.

Chartered Accountants

Firm Registration No.: 141173W

For And On Behalf Of The Board,

Sd/-

Keyur B Shah

Proprietor

M. No. 153774

Sd/-

Chanakya Prakash Mangal

(Director)

DIN: 06714256

Sd/-

Chandragupt Prakash Mangal

(Director)

DIN: 07408422

Place : Ahmedabad

Date : 18-10-2019

Place : Ahmedabad

Date : 18-10-2019

| Particulars | Annexure | 1 April 2019 to 30 June 2019 | For the year ended 31 March, | | |
|--|----------|------------------------------------|------------------------------|-----------------|---------------|
| | | | 2019 | 2018 | 2017 |
| Revenue | | | | | |
| Revenue from operations | 20 | 14,570.98 | 32,949.72 | 2,689.36 | 268.51 |
| Other income | 21 | 21.79 | 54.01 | 0.47 | 0.20 |
| Total revenue | | 14,592.77 | 33,003.73 | 2,689.83 | 268.71 |
| Expenses | | | | | |
| Cost of materials consumed | 22 | 13,215.59 | 18,294.58 | - | - |
| Purchase of stock-in-trade | 23A | 750.62 | 14,138.27 | 2,578.65 | 182.17 |
| Changes in inventories of Finished Goods, WIP and Traded Goods | 23B | (252.91) | (865.81) | 2.11 | 35.90 |
| Employee benefits expense | 24 | 123.69 | 187.00 | 18.00 | 4.22 |
| Finance costs | 25 | 105.78 | 266.70 | 1.59 | 0.01 |
| Depreciation and amortisation expense | 13 | 4.40 | 15.49 | 6.76 | 2.42 |
| Other expenses | 26 | 503.98 | 665.45 | 48.82 | 29.77 |
| Total expenses | | 14,451.14 | 32,701.67 | 2,655.94 | 254.49 |
| Profit before tax | | 141.63 | 302.06 | 33.89 | 14.22 |
| Tax expense | | | | | |
| Current tax | | 35.76 | 81.92 | 6.46 | 2.71 |
| MAT Credit | | - | - | (0.55) | (2.01) |
| Deferred tax (credit)/charge | | 0.48 | 3.16 | 2.09 | 4.11 |
| Profit for the period / year | | 105.39 | 216.98 | 25.89 | 9.41 |

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4

As per our report of even date attached

For, Keyur Shah & Co.

Chartered Accountants

Firm Registration No.: 141173W

For And On Behalf Of The Board,

Sd/-

Keyur B Shah

Proprietor

M. No. 153774

Sd/-

Chanakya Prakash Mangal

(Director)

DIN: 06714256

Sd/-

Chandragupt Prakash Mangal

(Director)

DIN: 07408422

Place : Ahmedabad

Date : 18-10-2019

Place : Ahmedabad

Date : 18-10-2019

Annexure 3: Restated Summary Statement of Cash Flows

(Amount in ₹ Lakhs)

| Particulars | As at | As at 31 March | | |
|---|-------------------|-------------------|-----------------|-----------------|
| | 30 June, 2019 | 2019 | 2018 | 2017 |
| A. Cash flow from operating activities | | | | |
| Profit before tax, as restated | 141.63 | 302.06 | 33.89 | 14.22 |
| Adjustments for : | | | | |
| Depreciation and amortisation expense | 4.40 | 15.49 | 6.76 | 2.42 |
| Loss/(Gain) on Sale of Investment | - | (1.18) | (0.42) | - |
| Foreign Exchange Gain / Loss | (8.30) | (2.71) | - | - |
| Finance costs | 105.78 | 266.70 | 1.59 | 0.01 |
| Interest & Dividend income | (13.49) | (49.99) | (0.05) | (0.20) |
| Gratuity Provision | 0.92 | 1.83 | - | - |
| Leave Encashment Provision | - | 4.23 | - | - |
| Operating profit before working capital changes | 230.94 | 536.42 | 41.78 | 16.44 |
| Changes in working capital: | | | | |
| (Increase) / decrease Inventories | (3,940.95) | (1,477.24) | 2.11 | 35.90 |
| (Increase) / decrease in Trade Receivables | (142.94) | (711.29) | (160.44) | (15.33) |
| (Increase) / decrease in Loans and Advances and Other Assets | (142.39) | (1,164.17) | 88.28 | (115.07) |
| Increase / (decrease) in Trade Payables | 89.35 | 0.62 | 124.58 | (281.55) |
| Increase / (decrease) in Other Liabilities | 18.92 | 36.50 | (27.34) | 45.06 |
| Increase / (decrease) in Long Term Provision | - | - | - | - |
| Increase / (decrease) in Long Term Liabilities | 13.38 | 13.96 | - | 8.00 |
| Increase / (decrease) in Short Term Provision | (37.93) | 135.03 | 6.89 | 2.86 |
| Cash generated from / (utilised in) operations | (3,911.60) | (2,630.17) | 75.86 | (303.69) |
| Less : Income tax paid | (35.76) | (81.92) | (5.91) | (0.70) |
| Net cash flow generated from/ (utilised in) operating activities (A) | (3,947.37) | (2,712.09) | 69.95 | (304.39) |
| B. Cash flow from investing activities | | | | |
| Purchase of property, plant and equipment (including intangible assets and intangible assets under development) | (31.12) | (32.76) | (161.17) | (316.23) |
| Net of Purchase/ Proceeds from Sale of Investments | (121.28) | (395.57) | - | - |
| Interest and Dividend Received | 13.49 | 49.99 | 0.05 | 0.20 |
| (Increase) / decrease in Long Term Loans and Advances | (4.73) | (20.82) | (12.98) | 3.05 |
| Income from Investment | - | 1.18 | 0.42 | - |
| | - | - | - | - |
| Net cash flow utilised in investing activities (B) | (143.63) | (397.99) | (173.68) | (312.98) |
| C. Cash flow from financing activities | | | | |
| Proceeds from issuance of shares | - | 178.05 | 50.00 | - |
| Proceeds from Security Premium | - | 2,314.60 | 450.00 | - |
| Foreign Exchange Gain / Loss | 8.30 | 2.71 | - | - |
| Net of Repayment/Proceeds from Short Term Borrowings | 4,194.71 | 1,071.62 | (49.00) | 49.00 |
| Net of Repayment/Proceeds from Long Term Borrowings | (4.47) | (195.20) | (346.56) | 570.65 |
| Interest/Finance Charges Paid | (105.78) | (266.70) | (1.59) | (0.01) |
| Dividend and Dividend Tax Paid | - | (1.31) | - | - |
| Net cash flow generated from/ (utilised in) financing activities (C) | 4,092.75 | 3,103.77 | 102.85 | 619.65 |
| Net (decrease)/ increase in cash & cash equivalents (A+B+C) | 1.76 | (6.31) | (0.89) | 2.27 |
| Cash and cash equivalents at the beginning of the period/ year | 3.50 | 9.81 | 10.69 | 8.42 |
| Cash and cash equivalents at the end of the period/ year | 5.25 | 3.50 | 9.81 | 10.69 |

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 1, 2 and The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For, Keyur Shah & Co.
Chartered Accountants
Firm Registration No.: 141173W

For And On Behalf Of The Board,

Sd/-
Keyur B Shah
Proprietor
M. No. 153774

Sd/-
Chanakya Prakash Mangal
(Director)
DIN: 06714256

Sd/-
Chandragupt Prakash Mangal
(Director)
DIN: 07408422

Place: Ahmedabad
Date: 18-10-2019

Place: Ahmedabad
Date: 18-10-2019

Annexure 4: Statement of Notes to Restated Financial Information

A. Background of the Company

The Company was originally incorporated as "Hindprakash Colourchem Private Limited" as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The name of our company was changed to "Mangalam Global Enterprise Private Limited" pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 and a fresh Certificate of Incorporation dated July 31, 2014 was issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on September 17, 2019 and the name of our Company was changed to "Mangalam Global Enterprise Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

The Company are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. The Company have also diversified their business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. Company has two separate dedicated well-equipped manufacturing units at Harij, Gujarat for undertaking manufacturing operations of abovementioned two product segments and they are also engaged in the trading of Castor Seeds and Raw Cotton.

B. Summary of significant accounting policies

a) Basis of preparation of financial statements

The Restated Summary Statement of Assets and Liabilities of the Company as at 30 June 2019, 31 March 2019, 2018 and 2017 the Restated Summary Statement of Profit and Loss and the Restated Summary Statement of Cash Flows for the period/ years ended 30 June 2019, 31 March 2019, 2018 and 2017 and the annexures thereto (herein collectively referred to as 'Restated Financial Information') have been compiled by the management of the Company from the audited financial statements of the Company for the period/ years ended 30 June 2019, 31 March 2019, 31 March 2018 and 31 March 2017 and have been prepared specifically for the purpose of inclusion in the Offer Document to be filed by the Company with the SME portal of National Stock Exchange of India Limited ('NSE')

These aforementioned audited financial statements were prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. These audited financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Act/ Companies Act, 1956, as applicable.

The Restated Financial Information have been prepared to comply in all material aspects with the requirements of Section 26(1)(b) of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time).

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. Based on nature of products/services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The aforementioned Restated Financial Information have been prepared in Indian Rupee (INR).

b) Use of estimates

The preparation of Restated Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

c) Depreciation

The Company provides pro-rata depreciation on additions and disposals made during the year.

Prior to 1 April 2014, depreciation on property, plant and equipment has been provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

With effect from 1 April 2014, pursuant to the notification of Schedule II to the Companies Act, 2013, depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

Annexure 4: Statement of Notes to Restated Financial Information

d) 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) Dividend income is recognised when the right to receive the dividend is established.

e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Expenditure on addition, improvements and renewals is capitalized and expenditure for maintenance and repair is charged to Profit and Loss account.

f) Foreign Currency Transactions

The reporting currency of the Company is Indian Rupee.

- i) Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rates prevailing at the date of the transaction.
- ii) Monetary assets and monetary liabilities denominated in foreign currencies are converted at rate of exchange prevailing on the date of the Balance Sheet.
- iii) Exchange differences on settlement/conversion are included in the Statement of Profit and Loss in the period in which they arise.
- iv) The premium or discount on forward exchange contract is recognised in the Statement of Profit & Loss over the period of the contract

g) Investments

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realisable and intended to be held for not more than a year are valued at lower of cost and net realisable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss

h) Employee benefits

I. Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences etc. are recognised in the period in which the employee renders the related service.

II. Post-employment benefits:

i) 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 governments Authorities, and it has no further obligation beyond making its contribution, which is expensed in the period to which it pertains

Annexure 4: Statement of Notes to Restated Financial Information

ii) Defined benefit plans:

The Company has defined benefit plan in the form of gratuity and compensated absences. The same is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

i) Borrowing Costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of Borrowings. General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

j) Taxes on income

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.

k) Inventories

Inventories consisting of Raw Materials, Work-in-Process, Finished Goods and Traded 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

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.

l) Impairment of assets

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on its eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Annexure 4: Statement of Notes to Restated Financial Information

m) Government Grant

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.

n) Earning Per Share

Basic Earning per Share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding at the end of the year. Diluted earning per share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity share outstanding at the end of the year.

o) Current Assets, Loans and Advances

The balance under item of Sundry Debtors, Loans and Advances and Current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

p) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to their present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized

Mangalam Global Enterprise Limited

Annexure 4: Statement of Notes to the Restated Financial Information

C. Contingent liabilities and commitments

(Amount in ₹ Lakhs)

(i) Contingent liabilities

| Particulars | As at 30 June, 2019 | As at 31 March, | | |
|--|------------------------|-----------------|------|------|
| | | 2019 | 2018 | 2017 |
| Claims against the Company not acknowledged as debt | | | | |
| Bank guarantees/Letter of credit | 791.39 | 2,756.90 | - | - |
| | 791.39 | 2,756.90 | - | - |

D. Segment Reporting

The Company are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. The Company have also diversified their business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. In view of the above, both primary and secondary additional reporting disclosures for business / geographical segments as envisaged in Accounting Standard 17, "Segment Reporting" are not applicable to the Company.

E. Earning in foreign currency on accrual basis

(Amount in ₹ Lakhs)

| Particulars | 1 April 2019 to 30 June 2019 | For the year ended 31 March, | | |
|--|---------------------------------|------------------------------|------|------|
| | | 2019 | 2018 | 2017 |
| Foreign Currency Earnings (Net off Remittance Charges) | 6.66 | 4.41 | | |

F. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 March, | | |
|---|---------------------------------|-----------------|------|------|
| | | 2019 | 2018 | 2017 |
| Foreign Currency Exposure that have not been Hedged by Derivative Instruments | | Nil | | |

G. 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.

H. Notes On Restatement Made In The Restated Financials

- 1) The financial statements including financial information 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 financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.
- 3) Figures have been rearranged and regrouped wherever practicable and considered necessary.
- 4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.
- 5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.
- 6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.
- 7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
- 8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

Annexure 4: Statement of Notes to the Restated Financial Information

I. Restatement adjustments, Material regroupings and Non-adjusting items

(a) Impact of restatement adjustments

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

| Particulars | 1 April 2019 to 30 June 2019 | For the year ended 31 March | | |
|--|---------------------------------|-----------------------------|---------------|---------------|
| | | 2019 | 2018 | 2017 |
| Profit after tax as per audited financial statements | 105.39 | 219.15 | 34.04 | 10.62 |
| Adjustments to net profit as per audited financial statements | | | | |
| Increase / Decrease in Expenses (Note : 1) | - | 0.05 | (0.09) | (0.03) |
| Increase / Decrease Depreciation (Note : 1) | - | (0.10) | (0.12) | 1.13 |
| Excess / Short Provision for Tax (Note : 2) | - | 5.35 | (7.63) | 1.80 |
| Differed Tax Liability / Assets Adjustments (Note : 3) | - | (7.47) | (0.30) | (4.11) |
| Total adjustments | - | (2.17) | (8.15) | (1.21) |
| Restated profit before tax for the period/ years | 105.39 | 216.98 | 25.89 | 9.41 |

Note:

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

(b) Explanatory notes for the restatement adjustments

- (i) The Amount relating to the prior period & other Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to
- (ii) The Company has provided Excess or Short Provision in the year in which the Income Tax Return has been filled for the respective financial year But in the Restated Financial Information the company has provided Excess or Short Provision in the year to which it relates to.
- (iii) There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them I line with the groupings asper audited financail of the company for all the years and teh requirements of teh Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

(c) Reconciliation of restated Equity / Networth:

(Rs. in Lakhs)

| Particulars | As at June 30, 2019 | As at March 31 | | |
|---|------------------------|----------------|--------|--------|
| | | 2019 | 2018 | 2017 |
| Equity / Networth as per Audited Financials | 3,348.71 | 3,255.49 | 545.00 | 10.96 |
| Adjustment for: | | | | |
| Difference Pertaining to changes in Profit / Loss due to Restated Effect for the period covered in Restated Financial | 0.64 | (11.53) | (9.36) | (1.21) |
| Prior Period Adjustments | (1.12) | (1.12) | (1.12) | (1.12) |
| Equity / Networth as Restated | 3,348.22 | 3,242.83 | 534.52 | 8.62 |

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

Annexure 5: Restated Statement of Share capital (Amount in ₹ Lakhs)

| Particulars | As at | For the year ended 31 March | | |
|---|---------------|-----------------------------|--------------|-------------|
| | 30 June, 2019 | 2019 | 2018 | 2017 |
| Authorised share capital | | | | |
| Equity shares of ₹ 10 each | | | | |
| - Number of shares | 30,00,000 | 30,00,000 | 5,50,000 | 50,000 |
| - Amount in ₹ | 300.00 | 300.00 | 55.00 | 5.00 |
| | 300.00 | 300.00 | 55.00 | 5.00 |
| Issued, subscribed and fully paid up | | | | |
| Equity shares of ₹ 10 each | | | | |
| - Number of shares | 23,25,482 | 23,25,482 | 5,45,020 | 45,020 |
| - Amount in ₹ | 232.55 | 232.55 | 54.50 | 4.50 |
| | 232.55 | 232.55 | 54.50 | 4.50 |

a) Reconciliation of equity share capital

| Particulars | As at | For the year ended 31 March | | |
|--|---------------|-----------------------------|--------------|-------------|
| | 30 June, 2019 | 2019 | 2018 | 2017 |
| Balance at the beginning of the period/year | | | | |
| - Number of shares | 23,25,482 | 5,45,020 | 45,020 | 45,020 |
| - Amount in ₹ | 232.55 | 54.50 | 4.50 | 4.50 |
| Add: Shares issued during the period/year | | | | |
| - Number of shares | - | 17,80,462 | 5,00,000 | - |
| - Amount in ₹ | - | 178.05 | 50.00 | - |
| Balance at the end of the period/year | | | | |
| - Number of shares | 23,25,482 | 23,25,482 | 5,45,020 | 45,020 |
| - Amount in ₹ | 232.55 | 232.55 | 54.50 | 4.50 |

b) Shareholders holding more than 5% of the shares of the Company

| Particulars | As at | As at 31 March | | |
|-----------------------------------|---------------|----------------|----------|--------|
| | 30 June, 2019 | 2019 | 2018 | 2017 |
| Equity shares of ₹ 10 each | | | | |
| Chanakayaprakash V Mangal | | | | |
| - Number of shares | 4,14,820 | 4,14,823 | 1,63,800 | 8,800 |
| - Percentage holding (%) | 17.84% | 17.84% | 30.05% | 19.55% |
| Chandraguptprakash V Mangal | | | | |
| - Number of shares | 4,39,775 | 4,39,776 | 1,63,800 | 8,800 |
| - Percentage holding (%) | 18.91% | 18.91% | 30.05% | 19.55% |
| Rashmi V Mangal | | | | |
| - Number of shares | 1,81,378 | 1,81,378 | 1,63,800 | 8,800 |
| - Percentage holding (%) | 7.80% | 7.80% | 30.05% | 19.55% |
| Vipinprakash O Mangal | | | | |
| - Number of shares | 1,91,388 | 1,91,388 | 39,800 | 8,800 |
| - Percentage holding (%) | 8.23% | 8.23% | 7.30% | 19.55% |
| Om Prakash Mangal | | | | |
| - Number of shares | 2,85,715 | 2,85,715 | | |
| - Percentage holding (%) | 12.29% | 12.29% | | |
| Mangalam Worldwide Pvt Ltd | | | | |
| - Number of shares | 3,50,001 | 3,50,001 | | |
| - Percentage holding (%) | 15.05% | 15.05% | | |
| Zaddoc Nutrition Pvt Ltd | | | | |
| - Number of shares | 4,02,872 | 4,02,872 | | |
| - Percentage holding (%) | 17.32% | 17.32% | | |
| Hemlata O Mangal | | | | |
| - Number of shares | | | | 4,420 |
| - Percentage holding (%) | | | | 9.82% |
| Vipinprakash HUF | | | | |
| - Number of shares | | | | 4,200 |
| - Percentage holding (%) | | | | 9.33% |

c) Terms & Rights attached to Equity Shares.

The Company has equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportionate to

Notes :-

- 1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the
- 2 The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1, 2, 3 & 4 respectively.

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Annexure 6: Restated Statement of Reserves and surplus

(Amounts in Lakhs)

| Particulars | As at 30 June, 2019 | As at 31 March | | |
|--|------------------------|-----------------|---------------|-------------|
| | | 2019 | 2018 | 2017 |
| A. Securities premium account | | | | |
| Balance at the beginning of the period / year | 2,764.60 | 450.00 | - | - |
| Add : On shares issued | - | 2,314.60 | 450.00 | - |
| Balance at the end of the period/year | 2,764.60 | 2,764.60 | 450.00 | - |
| B. Surplus in the Restated Summary Statement of Profit and Loss | | | | |
| Balance at the beginning of the period/year | 245.69 | 30.02 | 4.12 | (4.16) |
| Add / Less :- Adjustment of Opening Difference | - | - | - | (1.12) |
| Add : Transferred from the Restated Summary Statement of Profit and Loss | 105.39 | 216.98 | 25.89 | 9.41 |
| Less: Dividend paid on equity (F.Y. 2017-18) | - | (1.09) | - | - |
| Less: Tax on dividend (F.Y. 2017-18) | - | (0.22) | - | - |
| Balance at the end of the period/year | 351.07 | 245.69 | 30.02 | 4.12 |
| | | | | |
| | 3,115.67 | 3,010.29 | 480.02 | 4.12 |

Notes :-

- 1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of
- 2 The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

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Annexure 7: Restated Statement of Long- term borrowings

(Amount in ₹ Lakhs)

| Particulars | As at | | As at 31 March | | | | | |
|--|----------------|-----------------|----------------|-----------------|---------------|------------|---------------|--------------|
| | 30th June 2019 | | 2019 | | 2018 | | 2017 | |
| | Long-term | Short-term | Long-term | Short-term | Long-term | Short-term | Long-term | Short-term |
| Secured | | | | | | | | |
| (a) Term loans from others | | | | | | | | |
| ICICI Bank Limited (Vehicle Loans) (Secured against respective Vehicle) | 24.43 | - | 28.90 | - | 44.53 | - | - | - |
| (b) Loans repayable on demand | | | | | | | | |
| Working capital loan from banks | - | - | - | - | - | - | - | - |
| Axis Bank (Credit Line against pledge of Warehouse/Storage Receipt) | - | 304.06 | - | 307.49 | - | - | - | - |
| HDFC Bank CC | - | 1,605.18 | - | 663.87 | - | - | - | - |
| HDFC Bank EPC | - | 200.00 | - | 100.26 | - | - | - | - |
| ECL Finance Ltd.-Commodity Loan | - | 911.47 | - | - | - | - | - | - |
| HDFC Bank Ltd.-Short Term Loan Pledge | - | 997.89 | - | - | - | - | - | - |
| IndusInd Bank Ltd.-Commodity Pledge Loan | - | 152.57 | - | - | - | - | - | - |
| Kotak Mahindra Bank Ltd. Commodity Pledge Loan | - | 257.82 | - | - | - | - | - | - |
| | 24.43 | 4,429.00 | 28.90 | 1,071.62 | 44.53 | - | - | - |
| Unsecured | | | | | | | | |
| (c) Loans from , Directors, Members, Related Parties, & Inter Corporate Deposit | | | | | | | | |
| From Directors, Members, & Related Parties | - | 676.54 | - | - | 179.56 | - | 570.65 | - |
| Inter Corporate Deposits | - | 160.78 | - | - | - | - | - | 49.00 |
| | - | 837.33 | - | - | 179.56 | - | 570.65 | 49.00 |
| | 24.43 | 5,266.33 | 28.90 | 1,071.62 | 224.09 | - | 570.65 | 49.00 |

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Annexure 7(A): Principal terms and conditions of Long-term borrowings as at 30 June 2019

| Sr. no. | Name of the lender | Currency of loan | Sanctioned amount (₹) | Principal amount outstanding as on 30 June 2019 (₹) | Rate of interest (p.a.) | Tenure of the loan (in months/ in days) | Repayment schedule of loans | Security |
|---------|--------------------|------------------|-----------------------|---|-------------------------|---|---|--|
| 1 | ICICI Bank | INR | 64 Lakhs | 40.48 | 7.74% | 48 M | Equated monthly installments amounting to Rs 1.54 lakhs | Loan is secured against respective Vehicle |

Notes

1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

2 The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of

Annexure 7(B): Principal terms and conditions of Short-term borrowings as at 30 June 2019

| Sr. no. | Name of the lender | Currency of loan | Sanctioned amount (₹) | Principal amount outstanding as on 30 June 2019 (₹) | Rate of interest (p.a.) | Tenure of the loan (in months) | Repayment schedule of loans | Security |
|---------|--|------------------|-----------------------|---|--|--------------------------------|--|--|
| 1 | HDFC Bank CC | INR | 1500 Lakhs | 1,805.18 | MCLR + 1.60% | 12 M | Repayment on Demand | Loan is secured against : i) Primary Security:- Hypothecation of stock & book debts on entire exposure. ii) Collateral Security:- a. Plot No. 31, The Samast Brahmakshatriya Co. Operative Housing Society Ltd., Opp. Chandranaga Bus Stop, BRTS Road, Ahmedabad. b. Bungalow on Plot No. 19/B, Kalyan Society, Nr. Mahatma Gandhi International School, nagri Hospital Road, Ahmedabad. c. office no. 201, Setu Complex, P. Nagar Road, Nr. Girish Gold Drink, Ahmedabad |
| | HDFC Bank(Export Packing Credit/ Post Shipment Credit Facility (Sub Limit of CC) | INR | (1500 Lakhs) | | MCLR + 1.60% | 12 M | Repayment on Demand | |
| | HDFC Bank (Post Shipment Credit FBD/FBP/EBR/FBD Backed by LC) | INR | (1500 Lakhs) | | MCLR + 1.60% If availed in foreign currency: LIBOR + 250bps | 12 M | Repayment on Demand | |
| | HDFC Bank (Letter of Credit Sub Limit of CC) | INR | (1500 Lakhs) | | Commission of 1.50% per annum | 12 M | Repayment on Demand | |
| | HDFC Bank (Bank Gurantee Sub Limit of CC) | INR | (1500 Lakhs) | | Commission of 1.50% per annum | 12 M | Repayment on Demand | |
| | HDFC Bank (PSR) | INR | 500 lakhs | | As Per Product Note | 12 M | Repayment on Demand | |
| | HDFC Bank (DRUL (Sublimit of PSR)) | INR | (500 Lakhs) | | MCLR + 1.60% | 12 M | Repayment on Demand | |
| 2 | Edelweiss Finance Ltd | INR | 1000 Lakhs | 911.47 | 12% | 30 M | on or before expiry of the validity period | Loan is secured against: i) demand promissory note ii) any other security acceptable as its sole discretion such that security cover is achieved & is compliant with the extant rules iii) Pledge of approved commodities in the form manner acceptable to ECLFL |
| 3 | HDFC Bank | INR | 1500 Lakhs | 997.89 | 9.95% (MCLR + 1.15%) | 11 M | Repayable on demand | Loan is secured against : i) Pledge of entire inventory of commodity as a continuing security ii) Personal Gaurantee of : a) Chanakya Mangal b) Chandragupt Mangal |
| 4 | Indusind Bank | INR | 500 Lakhs | 152.57 | 1 year MCLR + 0.75% p.a. payable at months rests, including CM Charges | 12 M | Repayable on demand | Loan is secured against:- i) Pledge of stock as per warehouse receipt from the borrower |
| 5 | Kotak Mahindra Bank | INR | 1000 Lakhs | 257.82 | MCLR 6M Rate + 1.00% | 270 days | Repayable on demand | Lien mark on demat receipt/ pledge of physical receipt of underlying commodities namely castor seeds |
| 6 | Axis Bank - pledge loan | INR | 400 Lakhs | 304.06 | MCLR + 3.05% p.a i.e. 11.65% | 12 M | Repayable on demand | Loan is secured against : i) Pledge of warehouse receipt / storage receipts with lien noted in favour of bank ii) Personal Gaurantee of : a) Chanakya Mangal b) Chandragupt Mangal |

| Particulars | 30-06-2019 | As at 31 March | | |
|---|--------------|----------------|--------------|--------------|
| | | 2019 | 2018 | 2017 |
| Deferred Tax Assets & Liabilities Provision | | | | |
| WDV As Per Companies Act 2013 | 215.79 | 213.36 | 213.34 | 141.81 |
| WDV As Per Income Tax Act | 176.73 | 176.29 | 187.34 | 128.51 |
| Difference in WDV | 39.06 | 37.08 | 26.00 | 13.30 |
| Gratuity Provision | (0.92) | (1.83) | - | - |
| Other Disallowance Including u/s 43B | - | 0.61 | (0.61) | - |
| Adjustment on account of Section 28 to 44 DA Income tax Act, 1961 | 0.97 | (2.21) | (1.32) | - |
| Total Timing Differene | 39.11 | 33.65 | 24.07 | 13.30 |
| Tax Rate as per Income Tax | 25.17% | 27.82% | 25.75% | 30.90% |
| (DTA) / DTL | 9.84 | 9.36 | 6.20 | 4.11 |
| Deferred Tax Assets & Liabilities Summary | | | | |
| Opening Balance of (DTA) / DTL | 9.36 | 6.20 | 4.11 | - |
| Add: Provision for the Year | 0.48 | 3.16 | 2.09 | 4.11 |
| Closing Balance of (DTA) / DTL | 9.84 | 9.36 | 6.20 | 4.11 |

Note:

In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Liabilities (net of Assets) is provided in the books of account as at the end of the year/ (period)

Annexure 9: Restated Statement of Other long-term liabilities

| Particulars | 30-06-2019 | As at 31 March | | |
|-----------------------------|--------------|----------------|--------------|--------------|
| | | 2019 | 2018 | 2017 |
| Advance Rent / Rent Deposit | 14.20 | 14.20 | 14.20 | 14.20 |
| Other Liabilities | 27.34 | 13.96 | - | - |
| | 41.54 | 28.16 | 14.20 | 14.20 |

Annexure 10: Restated Statement of Provisions

| Particulars | 30-06-2019 | | As at 31 March | | | | | |
|--|-------------|---------------|----------------|---------------|-----------|--------------|-----------|-------------|
| | | | 2019 | | 2018 | | 2017 | |
| | Long-term | Short-term | Long-term | Short-term | Long-term | Short-term | Long-term | Short-term |
| Provision for employee benefits | | | | | | | | |
| Provision for gratuity | 2.27 | 0.47 | 1.62 | 0.20 | - | - | - | - |
| Provision for Leave Encashment | - | 4.23 | - | 4.23 | - | - | - | - |
| Provision for Others | - | 71.01 | - | 56.65 | - | 0.99 | - | 0.56 |
| Provision for tax | - | 36.25 | - | 88.53 | - | 9.17 | - | 2.71 |
| | 2.27 | 111.95 | 1.62 | 149.61 | - | 10.16 | - | 3.27 |

Note:

¹ The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

² The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

| Particulars | As at 30th June 2019 | As at 31 March | | |
|--|-------------------------|----------------|------|------|
| | | 2019 | 2018 | 2017 |
| Change in benefit obligation | | | | |
| Projected benefit obligation (PBO) at the beginning of the period / year | 1.83 | - | - | - |
| Service cost | 2.66 | 1.83 | - | - |
| Interest cost | 0.04 | - | - | - |
| Actuarial loss/(gain) | - 1.78 | - | - | - |
| Benefits paid | | | | |
| PBO at the end of the period / year | 2.75 | 1.83 | - | - |
| Net gratuity cost comprises*: | | | | |
| Service cost | 2.66 | 1.83 | - | - |
| Interest cost | 0.04 | - | - | - |
| Recognised net actuarial loss/ (gain) | - 1.78 | - | - | - |
| Net gratuity costs | 0.92 | 1.83 | - | - |

* These expenses have been recognised under Annexure 23

The actuarial assumptions used in accounting for the gratuity plan were as follows:

| | | | | |
|---|---|---|--|--|
| Discount rate | 7.70% | 7.70% | | |
| Rate of increase in compensation levels | 8.33% | 8.33% | | |
| Attrition Rate | 5 % younger ages and reducing to 1 % at older ages according to graduated scale | 5 % younger ages and reducing to 1 % at older ages according to graduated scale | | |
| Mortality rate | Indian Assured Lives Mortality(2006-08) Ult | Indian Assured Lives Mortality(2006-08) Ult | | |
| Retirement age | 60 years | 70 years | | |

Details of present value of obligation, plan assets and experience adjustments:

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 March | | |
|-------------------------------------|------------------------------|----------------|------|------|
| | | 2019 | 2018 | 2017 |
| Present value of obligation | 2.74 | 1.83 | - | - |
| Fair value of plan assets | - | - | - | - |
| Deficit | 2.74 | 1.83 | - | - |
| Experience adjustments: | | | | |
| On plan liabilities:- (gain) / loss | - | 0.28 | - | - |
| On plan assets:- gain / (loss) | - | - | - | - |

Annexure 11: Restated Statement of Trade payables

| Particulars | As at 30th June 2019 | As at 31 March | | |
|--|-------------------------|----------------|---------------|-------------|
| | | 2019 | 2018 | 2017 |
| Dues of micro and small enterprises (refer note below) | | | | |
| Dues to others | 93.58 | 59.36 | 125.93 | 2.11 |
| Creditors for Expenses | 123.08 | 67.95 | 0.76 | - |
| | 216.66 | 127.31 | 126.69 | 2.11 |

Note: Micro and Small Enterprises

The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

2 Trade Payables as on 30th June, 2019 has been taken as certified by the management of the company

Mangalam Global Enterprise Limited

Annexure 12: Restated Statement of Other Current Liabilities

| Particulars | 1 April 2017 to | As at 31 March | | |
|--|-----------------|----------------|--------------|--------------|
| | 30 June 2019 | 2019 | 2018 | 2017 |
| Current maturities of long-term borrowings | | | | |
| ICICI Bank Vehicle Loan Installments repayable with in 12 Months | 16.04 | 15.64 | 14.47 | - |
| Other Current Liabilities | | | | |
| Interest Accrued But Not Due | 21.71 | 0.65 | - | - |
| Statutory dues | 34.64 | 29.70 | 4.42 | 0.23 |
| Advance from customers | 0.42 | 1.43 | - | 46.00 |
| Creditor for Capital Goods | 1.51 | 7.97 | - | - |
| | 74.32 | 55.39 | 18.89 | 46.23 |

Notes:

Advance received from the customers have been taken as certified by the management of the company and no security has been offered by the company against the same.

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 13: Restated Statement of Property, Plant and Equipment

(Amount in ₹ Lakhs)

| Gross block | Land | Building | Computers | Furniture & Fixture | Office Equipment | Vehicles | Total |
|--|--------|----------|-----------|---------------------|------------------|----------|---------------|
| Balance as at 1 April 2016 | 188.49 | 48.00 | 0.32 | 2.37 | 1.47 | - | 240.65 |
| Additions | 222.09 | 93.63 | - | - | 0.51 | - | 316.23 |
| Balance as at 31 March 2017 | 410.58 | 141.63 | 0.32 | 2.37 | 1.98 | - | 556.88 |
| Additions | 82.88 | - | 0.82 | 2.14 | 6.03 | 69.14 | 161.01 |
| Balance as at 31 March 2018 | 493.46 | 141.63 | 1.14 | 4.50 | 8.01 | 69.14 | 717.88 |
| Additions | 1.16 | 0.29 | 9.11 | 1.25 | 4.24 | - | 16.05 |
| Balance as at 31 March 2019 | 494.62 | 141.92 | 10.25 | 5.75 | 12.25 | 69.14 | 733.93 |
| Additions | - | - | 5.09 | - | 0.06 | - | 5.15 |
| Balance as at 30th June 2019 | 494.62 | 141.92 | 15.34 | 5.75 | 12.30 | 69.14 | 739.08 |
| Accumulated depreciation and amortisation | | | | | | | |
| Balance as at 1 April 2016 | - | 1.19 | 0.17 | 0.36 | 0.39 | - | 2.11 |
| Depreciation charge | - | 1.74 | 0.10 | 0.23 | 0.32 | - | 2.39 |
| Balance as at 31 March 2017 | - | 2.93 | 0.27 | 0.59 | 0.71 | - | 4.50 |
| Depreciation charge | - | 2.48 | 0.19 | 0.34 | 0.99 | 2.74 | 6.74 |
| Balance as at 31 March 2018 | - | 5.41 | 0.46 | 0.93 | 1.70 | 2.74 | 11.24 |
| Depreciation charge | - | 2.49 | 1.97 | 0.51 | 2.17 | 8.21 | 15.35 |
| Balance as at 31 March 2019 | - | 7.90 | 2.42 | 1.44 | 3.87 | 10.94 | 26.59 |
| Depreciation charge | - | 0.61 | 0.94 | 0.14 | 0.56 | 2.05 | 4.30 |
| Reversal on disposal of assets | - | - | - | - | - | - | - |
| Balance as at 30th June 2019 | - | 8.51 | 3.36 | 1.58 | 4.42 | 13.00 | 30.89 |
| Net block | | | | | | | |
| Balance as at 31 March 2017 | 410.58 | 138.70 | 0.05 | 1.78 | 1.27 | - | 552.38 |
| Balance as at 31 March 2018 | 493.46 | 136.22 | 0.68 | 3.57 | 6.31 | 66.40 | 706.64 |
| Balance as at 31 March 2019 | 494.62 | 134.02 | 7.83 | 4.31 | 8.38 | 58.20 | 707.34 |
| Balance as at 30th June 2019 | 494.62 | 133.41 | 11.98 | 4.17 | 7.88 | 56.14 | 708.19 |

| Capital WIP | As at 30th June | As at 31st March | |
|---|-----------------|------------------|------|
| | 2019 | 2019 | 2017 |
| Work - in - Progress | | | |
| Gross Block Opening Balance | 16.09 | - | - |
| Addition during the year | 24.29 | 16.09 | - |
| Reduction during the year | - | - | - |
| Gross Block Closing Balance..A | 40.38 | 16.09 | - |
| Opening Accumulated depreciation | - | - | - |
| Depreciation charged during the year | - | - | - |
| Reduction/Adj. During the year | - | - | - |
| Accumulated Depreciaton (Closing Balance)..B | - | - | - |
| Net Block (A-B) | 40.38 | 16.09 | - |
| Total of WIP | 40.38 | 16.09 | - |

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Mangalam Global Enterprise Limited

Annexure 16: Restated Statement of Loans and advances

(Amount in ₹ Lakhs)

| Particulars | As at 30 June 2019 | | As at 31 March | | | | | |
|---|-----------------------|-----------------|----------------|-----------------|--------------|--------------|-------------|---------------|
| | Long-term | Short-term | 2019 | | 2018 | | 2017 | |
| | | | Long-term | Short-term | Long-term | Short-term | Long-term | Short-term |
| Unsecured, considered good (unless otherwise stated) | | | | | | | | |
| Prepaid Income Tax / MAT Credit / TDS | | 2.79 | | 78.78 | | 12.30 | - | 5.64 |
| Deposit | 25.45 | | 22.75 | | 1.46 | | 1.43 | |
| Advance for Capital Goods / Investment Property | | | | | | | | 11.00 |
| Prepaid Expenses | | | | | 0.01 | | | 0.04 |
| Other Receivable / Rent Receivable | 14.51 | | 12.48 | | 12.95 | | | 3.97 |
| Loans and Advances to related parties | | | | | | | | |
| Loans Given | | 192.93 | | 228.80 | | | | 95.00 |
| Others | | | | | | | | |
| Loans to Employees | | 5.70 | | 6.05 | | - | | |
| Prepaid Expenses | | 29.49 | | 32.11 | | 1.16 | | 0.05 |
| Advance to Suppliers | | 102.00 | | 258.01 | | 0.07 | | 0.18 |
| GST / VAT Receivable | | 213.95 | | 5.36 | | 0.21 | | |
| Rent Receivable | | 9.84 | | 9.84 | | 14.16 | | |
| Margin Money Given for Commodity Hedging Future Transaction | | 103.39 | | 70.86 | | - | - | |
| Other Receivable | | 176.17 | | 12.22 | | 0.05 | - | 0.35 |
| Other Deposits | | 498.25 | | 490.09 | | | - | |
| | 39.96 | 1,334.51 | 35.23 | 1,192.12 | 14.42 | 27.95 | 1.43 | 116.23 |

Note :-

Advance given to suppliers have been taken as certified by the management of the company

No Securitites have been taken by the company against advances given to suppliers

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 17: Restated Statement of Trade Receivables

(Amount in ₹ Lakhs)

| Particulars | As at 30 June 2019 | As at 31 march | | |
|--|-----------------------|----------------|---------------|--------------|
| | | 2019 | 2018 | 2017 |
| Unsecured & Considered good | | | | |
| 1. From Directors / Promoters / Promotor Group / Associates / Relative of Directors / Group Companies | | | | |
| O/s Exceeding 6 Months | 93.54 | - | - | - |
| O/s Not Exceeding 6 Months | - | 116.60 | - | - |
| | 93.54 | 116.60 | - | - |
| Less: Provision for doubtful debts | - | - | - | - |
| | 93.54 | 116.60 | - | - |
| Other Debts | | | | |
| O/s Exceeding 6 Months | 0.10 | 116.54 | 88.94 | - |
| O/s Not Exceeding 6 Months | 936.37 | 653.93 | 86.83 | 15.33 |
| | 936.47 | 770.47 | 175.77 | 15.33 |
| | 1,030.01 | 887.07 | 175.77 | 15.33 |

As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.

Trade Receivables as on 30th June, 2019 has been taken as certified by the Management of the Company.

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 18: Restated Statement of Inventories

| Particulars | As at 30 June 2019 | As at 31 march | | |
|---------------------------------|-----------------------|-----------------|----------|-------------|
| | | 2019 | 2018 | 2017 |
| Raw Material | | | | |
| Raw Material | 4,213.27 | 551.16 | - | - |
| Total of Raw Material | 4,213.27 | 551.16 | - | - |
| Finished Goods / Stock In Trade | 638.26 | 636.27 | - | 2.11 |
| Semi-Finished Goods | 480.46 | 229.54 | | |
| Packing Material | 86.19 | 60.27 | | |
| | 5,418.18 | 1,477.24 | - | 2.11 |

Note :-

Value of Inventories as on 30th June, 2019 has been taken as certified by the management of the company

Annexure 19: Restated Statement of Cash and Bank Balances

| Particulars | As at 30 June 2019 | As at 31 march | | |
|----------------------------------|-----------------------|----------------|-------------|--------------|
| | | 2019 | 2018 | 2017 |
| Cash and cash equivalents | | | | |
| Cash on hand | 4.20 | 2.43 | 2.20 | 1.72 |
| Balances with Banks | 1.05 | 1.07 | 7.60 | 8.97 |
| | 5.25 | 3.50 | 9.80 | 10.69 |

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 20: Restated Statement of Revenue from operations

(Amount in ₹ Lakhs)

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|--------------------------------|---------------------------------|------------------|-----------------|---------------|
| | | 2019 | 2018 | 2017 |
| Revenue from operations | | | | |
| Sale of products | 14,427.64 | 32,291.85 | 2,613.79 | 230.08 |
| Sale of services | 127.03 | 596.39 | - | 0.76 |
| Other operating revenue | 16.31 | 61.48 | 75.57 | 37.67 |
| | 14,570.98 | 32,949.72 | 2,689.36 | 268.51 |

20.1 Annexure to Revenue from Operations

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|---|---------------------------------|------------------|-----------------|---------------|
| | | 2019 | 2018 | 2017 |
| Details of Sales of Products - Trading | | | | |
| Textile and Textile Mrchandise | | | 7.62 | 32.46 |
| Dyes | | | 365.48 | - |
| Intermediates | | | 316.19 | - |
| Edible Oil | | | - | - |
| Cloth | | | 768.99 | 197.62 |
| Castor Oil | 541.06 | 12,183.48 | 1,155.50 | - |
| Castor Seeds | 64.52 | 1,958.04 | | |
| Others | - | 106.39 | | |
| | - | - | | |
| Details of Sales of Products - Manufacturing | | | | |
| Castor Oil | 12,635.99 | 16,443.14 | | |
| Castor DOC | 777.80 | 1,091.57 | | |
| Cotton Bales | 304.49 | 323.79 | | |
| Cotton Seeds | 68.20 | 162.31 | | |
| Others | 35.57 | 23.14 | | |
| | - | - | | |
| Details of Service Income | | | | |
| Agency Service Income | 127.03 | 596.39 | - | 0.76 |
| | - | - | - | - |
| Other operating revenues Comprises | | | | |
| Export Incentive Income | 0.68 | 0.46 | - | - |
| Lease Operating Income | 15.62 | 61.02 | 75.57 | 37.67 |
| | 16.30 | 61.48 | 75.57 | 37.67 |
| | 14,570.96 | 32,949.73 | 2,689.35 | 268.51 |

The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 21: Restated Statement of Other Income

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|---|---------------------------------|----------------|-------------|-------------|
| | | 2019 | 2018 | 2017 |
| Interest on Income - Others | 0.14 | 0.94 | - | 0.20 |
| Interest from Loans and Advance | 4.25 | 38.31 | 0.05 | |
| Gain on sale of Investment | - | 1.18 | 0.42 | |
| Gain on Foreign exchange | 8.30 | 2.71 | | |
| -Interest from banks on Deposit | 9.06 | 0.10 | | |
| -Interest from Delayed Supply of Goods | 0.04 | 10.63 | | |
| Other Non Operating Income | | | | |
| -Sale of Scrap | - | 0.13 | | |
| | 21.79 | 54.00 | 0.47 | 0.20 |
| Profit before tax | 142 | 302 | 34 | 14 |
| % of other income to profit before tax | 15% | 18% | 1% | 1% |

Note:

The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.

The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 22. Cost of Material Consumed

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|---------------------|---------------------------------|------------------|------|------|
| | | 2019 | 2018 | 2017 |
| Opening Stock | 551.16 | - | | |
| Add: Purchases | 16,877.70 | 18,845.74 | | |
| Less: Closing Stock | - 4,213.27 | - 551.16 | - | |
| | 13,215.59 | 18,294.58 | - | - |

Annexure 23A: Purchase of stock-in-trade

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|----------------|---------------------------------|------------------|-----------------|---------------|
| | | 2019 | 2018 | 2017 |
| Add: Purchases | 750.62 | 14,138.27 | 2,578.65 | 182.17 |
| | 750.62 | 14,138.27 | 2,578.65 | 182.17 |

Annexure 23B. Change In Inventory of Finished Goods, Stock In Trade and WIP

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|--|---------------------------------|----------------|-------------|--------------|
| | | 2019 | 2018 | 2017 |
| Finished Goods / Stock In Trade | | | | |
| Opening Stock | 636.27 | - | 2.11 | 38.00 |
| Less: Closing Stock | - 638.26 | - 636.27 | - | - 2.11 |
| WIP | | | | |
| Opening Stock | 229.54 | - | | |
| Less: Closing Stock | - 480.46 | - 229.54 | | |
| | 252.91 | 865.81 | 2.11 | 35.89 |

The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 24: Restated Statement of Employee Benefits Expense

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|--|---------------------------------|----------------|--------------|-------------|
| | | 2019 | 2018 | 2017 |
| Director Remuneration | 18.13 | 15.55 | 7.50 | - |
| Salaries, wages and bonus | 97.43 | 159.15 | 10.50 | 4.11 |
| Contributions to Provident Fund and Other Fund | 1.32 | 2.53 | | |
| Gratuity and Leave Encashment / Reversal | 0.92 | 6.05 | | |
| Staff welfare expenses | 5.89 | 3.72 | - | 0.11 |
| | 123.69 | 187.00 | 18.00 | 4.22 |

The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Annexure 25: Restated Statement of Finance Costs

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 march | | |
|--------------------------|---------------------------------|----------------|-------------|-------------|
| | | 2019 | 2018 | 2017 |
| Interest expense: | | | | - |
| Interest expense | 105.68 | 241.68 | 1.59 | 0.01 |
| Other Borrowing Cost | 0.10 | 25.02 | - | - |
| | 105.78 | 266.70 | 1.59 | 0.01 |

The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Mangalam Global Enterprise Limited

Annexure 26: Restated Statement of Other Expenses

(Amount in ₹ Lakhs)

| Particulars | 1 April 2019 to 30 June 2019 | As at 31 March | | |
|---|---------------------------------|----------------|--------------|--------------|
| | | 2019 | 2018 | 2017 |
| Manufacturing Expenses | | | | |
| Power & Fuel | 58.18 | 94.41 | - | - |
| Loading-Unloading Expense | 22.90 | 25.10 | - | - |
| Lease Rent Expense | 78.78 | 76.01 | - | - |
| Factory Consumable | 16.84 | 26.84 | - | - |
| Other Factory Expense | 0.11 | 16.62 | - | - |
| Repair & Maintenance - Plant & Machinery | 27.08 | 28.93 | - | - |
| Repair & Maintenance - Others | 0.66 | 2.01 | - | - |
| Raw Material (Commodity) Hedging Cost | 25.01 | 12.08 | - | - |
| Packing Expenses | 5.30 | 9.12 | - | - |
| Total | 234.84 | 291.13 | - | - |
| Administrative, Selling and Other Expenses | | | | |
| Advertisement Expenses | - | 0.40 | 0.29 | 3.12 |
| Bank Charges | 0.65 | 0.62 | 0.09 | 0.25 |
| Business Promotion Expenses | 1.07 | 6.30 | 2.55 | 1.82 |
| Brokerage Expenses | 0.57 | - | 0.63 | - |
| Conveyance Expenses | 0.80 | 3.74 | 1.64 | 2.90 |
| Electricity Expenses | 1.11 | 2.31 | 1.22 | 1.30 |
| Legal Consultancy Expenses | 7.69 | 15.86 | 2.80 | 7.39 |
| Consultancy Expenses | 46.62 | 59.37 | 16.80 | - |
| Office Expenses | 1.78 | 7.74 | 4.02 | 2.29 |
| Other Expenses | 6.33 | 3.61 | 1.15 | 0.32 |
| Insurance Expenses | 3.48 | 1.58 | 0.76 | - |
| Payments to the Auditor | 0.94 | 3.85 | 0.85 | 0.25 |
| Postage and Angadia | 0.19 | 0.43 | 0.05 | 0.03 |
| Printing and Stationary Expenses | 0.64 | 2.00 | 0.07 | 0.05 |
| Rates & Taxes | 0.79 | 2.59 | 1.48 | 1.97 |
| Royalty Expenses | - | - | - | 0.60 |
| Rent | 4.66 | - | 1.97 | 1.80 |
| Repairs and Maintenance Buildings | - | 2.05 | - | - |
| Repairs and Maintenance Others | 1.20 | 9.83 | 2.39 | 1.20 |
| Sales Commission Expenses | 1.21 | 24.79 | 7.33 | - |
| Tele Communication Expenses | 1.57 | 1.45 | 0.46 | 0.63 |
| Travelling Expenses | 18.29 | 15.53 | 2.26 | 3.88 |
| Donation | 5.00 | 1.01 | - | - |
| Testing Fees | 2.94 | 4.14 | - | - |
| Outward Freight / Loading Unloading | 143.74 | 183.65 | - | - |
| Cash Discount | 1.22 | 0.44 | - | - |
| Handling Expenses | - | 9.10 | - | - |
| Export Freight And Expenses | 10.73 | 7.88 | - | - |
| Godown / Storage Tank Rent | 5.91 | 4.09 | - | - |
| Total | 269.14 | 374.32 | 48.82 | 29.77 |
| Grand Total | 503.98 | 665.45 | 48.82 | 29.77 |

The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

| Sr. no. | Particulars | 1 April 2019 to 30 June 2019 | As at and for the year ended 31 March | | |
|---------|---|------------------------------|---------------------------------------|--------------|--------------|
| | | | 2019 | 2018 | 2017 |
| A | Net worth, as restated (₹) | 3,348.22 | 3,242.83 | 534.52 | 8.62 |
| B | Profit after tax, as restated (₹) | 105.39 | 216.98 | 25.89 | 9.41 |
| | Weighted average number of equity shares outstanding during the period/ year | | | | |
| C | For Basic earnings per share | 23.25 | 5.50 | 0.46 | 0.45 |
| D | For Diluted earnings per share | 23.25 | 5.50 | 0.46 | 0.45 |
| E | For Basic earnings per share after bonus issue | 116.27 | 98.52 | 93.48 | 93.47 |
| F | For Diluted earnings per share after bonus issue | 116.27 | 98.52 | 93.48 | 93.47 |
| | Earnings per share | | | | |
| G | Basic earnings per share (₹) (B/C) | 4.53 | 39.45 | 56.28 | 20.91 |
| H | Diluted earnings per share (₹) (B/D) | 4.53 | 39.45 | 56.28 | 20.91 |
| I | Basic earnings per share after bonus issue (₹) (B/E) | 0.91 | 2.20 | 0.28 | 0.10 |
| J | Diluted earnings per share after bonus issue (₹) (B/F) | 0.91 | 2.20 | 0.28 | 0.10 |
| K | Return on Net Worth (%) (B/A*100) | 3.15% | 6.69% | 4.84% | 109.16% |
| L | Number of shares outstanding at the end of the period/ year | 23,25,482 | 23,25,482 | 5,45,020 | 45,020 |
| M | Number of shares outstanding at the end of the period/ year after bonus issue | 116,27,410 | 116,27,410 | 98,46,948 | 93,46,948 |
| N | Net asset value per equity share of ₹ 10 each (₹) (A/L) | 143.98 | 139.45 | 98.07 | 19.16 |
| O | Net asset value per equity share of ₹ 10 each after bonus issue (₹) (A/M) | 28.80 | 27.89 | 5.43 | 0.09 |
| P | Face value of equity shares (₹) | 10.00 | 10.00 | 10.00 | 10.00 |

Notes :-

1) The ratios have been computed in the following manner :

a) Basic and Diluted earnings per share (₹)

$$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$$

b) Return on net worth (%) =

$$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at period/ year end}}$$

c) Net asset value per share (₹)

$$\frac{\text{Restated Net Worth as at period/ year end}}{\text{Total number of equity shares as at period/ year end}}$$

2) The figures disclosed above are based on the Restated Financial Information of the Company.

3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

5) Ratios for the three months ended 30 June 2019 have not been annualised.

6) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).

7) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

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Annexure 28: Statement of Tax Shelter

(Amount in ₹ Lakhs)

| Particulars | 1 April 2019 to | | 2018 | 2017 |
|--|-----------------|-------------|--------------|--------------|
| | 30 June 2019 | | | |
| Profit before tax, as restated (A) | 141.63 | 302.06 | 33.89 | 14.22 |
| Tax rate (%) (B) | 25.17% | 27.82% | 25.75% | 30.90% |
| Tax expense at nominal rate [C= (A*B)] | 35.65 | 84.03 | 8.73 | 4.39 |
| Adjustments | | | | |
| Permanent differences | | | | |
| Donations | 2.50 | 0.51 | - | - |
| Prior period expenses | | | | |
| Interest/penalties on delayed payment of taxes | | | | |
| Adjustment on account of Section 37 under Income tax Act, 1961 | | | | |
| Income under Other Head of Income | - | 1.18 | 0.42 | - |
| Total permanent differences (D) | 2.50 | 0.67 | 0.42 | - |
| Timing differences | | | | |
| Depreciation difference as per books and as per tax | 1.99 | 11.07 | 12.70 | 11.95 |
| Adjustment on account of Section 43B under Income tax Act, 1961 | - | 0.61 | 0.61 | - |
| Adjustment on account of Section 28 to 44 DA Income tax Act, 1961 | 0.97 | 2.21 | 1.32 | - |
| Provision for gratuity | 0.92 | 1.83 | - | - |
| Total timing differences (E) | 2.04 | 7.64 | 10.77 | 11.95 |
| Deduction under Chapter VI-A (F) | | | | |
| Net adjustments(G)=(D+E+F) | 0.47 | 8.32 | 11.19 | 11.95 |
| Tax impact of adjustments (H)=(G)*(B) | 0.12 | 2.31 | 2.88 | 3.69 |
| Tax impact on other income (I) | - | 0.20 | 0.07 | - |
| Tax expenses (J= H+C+I) (derived) | 35.76 | 81.92 | 5.91 | 0.70 |
| Current tax expense as per Restated Summary Statement of Profit and Loss | 35.76 | 81.92 | 6.46 | 2.71 |
| Minimum Alternate Tax (MAT) | | | | |
| Income as per MAT | 141.63 | 302.06 | 33.89 | 14.22 |
| Tax as per MAT | 24.30 | 62.18 | 6.46 | 2.71 |
| Tax Expenses= MAT or Normal Provision of Income Tax w.e. is higher | 35.76 | 81.92 | 6.46 | 2.71 |
| Tax paid as per "MAT" or "Normal"provision | Normal | Normal | MAT | MAT |

Notes:

- The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 (as amended).
- The permanent/timing differences for the years 31 March, 2018, 2017 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any.
- Figures for the six months ended 30 June 2019 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2020-2021 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2020-21
- Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.
- The above statement should be read with the Statement of Notes to the Standalone Financial Information of the Company.

Mangalam Global Enterprise Limited

Annexure 29: Restated Statement of Capitalisation

(Amount in ₹ Lakhs)

| Particulars | Pre Issue as at June 30, 2019 | Post Issue |
|---|-------------------------------|-----------------|
| Borrowings | | |
| Short- term | 5,266.33 | 5,266.33 |
| Long- term (including current maturities) (A) | 40.48 | 40.48 |
| Total Borrowings (B) | 5,306.81 | 5,306.81 |
| Shareholders' funds | | |
| Share capital | 232.55 | 1,605.74 |
| Reserves and surplus | 3,115.67 | 3,955.78 |
| Total Shareholders' funds (C) | 3,348.22 | 5,562 |
| Long- term borrowings/ equity* {(A)/(C)} | 0.01 | 0.01 |
| Total borrowings / equity* {(B)/(C)} | 1.58 | 0.95 |

* equity= total shareholders' funds

Notes:

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in other current liabilities).
- 2 The above ratios have been computed on the basis of the Restated Standalone Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company

Mangalam Global Enterprise Limited

Annexure 30: Statement of Related Party Transaction

| Name of Party | Nature of Relation | Nature of Transaction | Amount outstanding as on 30.06.2019 Payable/(Receivable) | Amount of Transaction debited upto 30.06.2019 | Amount of Transaction credited upto 30.06.2019 | Amount outstanding as on 31.03.2019 Payable/(Receivable) | Amount of Transaction debited in 2018-19 | Amount of Transaction credited in 2018-19 | Amount outstanding as on 31.03.2018 Payable/(Receivable) | Amount of Transaction debited in 2017-18 | Amount of Transaction credited in 2017-18 | Amount outstanding as on 31.03.2017 Payable/(Receivable) | Amount of Transaction debited in 2016-17 | Amount of Transaction credited in 2016-17 | Amount outstanding as on 31.03.2016 Payable/(Receivable) | |
|---|----------------------|-------------------------|--|---|--|--|--|---|--|--|---|--|--|---|--|---|
| Vipin Prakash Mangal | Promoter | foreign travelling exps | - | - | - | - | - | - | - | - | - | - | 0.49 | 0.49 | - | |
| | | Share Issue | - | - | - | - | 135.22 | 135.22 | - | 31.00 | 31.00 | - | - | - | - | |
| | | Reimbursement Expense | - | 4.14 | 4.14 | - | - | - | - | - | - | - | - | - | - | - |
| | | Interest on Borrowing | 14.16 | - | 14.16 | - | - | - | - | - | - | - | - | - | - | - |
| Om Prakash Mangal | Relative of Promoter | Loan | 518.83 | 229.25 | 762.25 | - | 199.23 | 192.00 | 7.23 | 32.04 | 13.00 | 26.27 | - | 11.00 | 15.27 | |
| | | Share Issue | - | - | - | - | 135.22 | 135.22 | - | - | - | - | - | - | - | - |
| Hemalata Omprakash Mangal | Relative of Promoter | Unsecured Loans | - | - | - | - | 452.50 | 450.00 | 2.50 | - | 2.50 | - | - | - | - | |
| | | Salary | 0.88 | - | 0.88 | - | 4.50 | 4.50 | - | 6.00 | 6.00 | - | - | - | - | - |
| Sanjay Prakash Mangal | Relative of Promoter | Share Issue | - | - | - | - | - | - | - | 4.00 | 4.00 | - | - | - | - | |
| | | Loan | - | - | - | - | 50.00 | 50.00 | - | - | - | - | - | - | - | - |
| Rashmi Mangal | Relative of Promoter | Salary | 0.99 | - | 0.99 | - | - | - | - | - | - | - | - | - | - | |
| | | Share Issue | 2.35 | - | 2.35 | - | 4.50 | 4.50 | - | 6.00 | 6.00 | - | - | - | - | |
| | | Interest on Borrowing | 0.67 | - | 0.67 | - | - | - | - | - | - | - | - | - | - | - |
| | | Loan | 47.50 | - | 47.50 | - | 155.12 | 151.00 | 4.12 | 174.00 | 3.50 | 174.62 | 32.00 | 112.00 | 94.62 | |
| Chankya Prakash Mangal | Promoter | Share Issue | - | - | - | - | 101.61 | 101.61 | - | 155.00 | 155.00 | - | - | - | - | |
| | | foreign travelling exps | - | - | - | - | - | - | - | - | - | - | 1.09 | 1.09 | - | |
| | | Rent | - | - | - | - | 0.05 | 0.05 | - | 0.62 | 0.62 | - | - | - | - | |
| | | Rent | - | 4.39 | 4.39 | - | - | - | - | 1.34 | 1.34 | - | 2.00 | 1.80 | 0.20 | |
| | | Rent Deposit | 2.70 | - | 2.70 | - | - | - | - | - | - | - | - | - | - | |
| | | Investment | - | - | - | - | 0.50 | 0.50 | - | - | - | - | - | - | - | |
| | | Interest on Borrowing | 0.08 | - | 0.08 | - | - | - | - | - | - | - | - | - | - | |
| | | loan | 3.00 | 7.00 | 10.00 | - | 665.63 | 556.05 | 109.59 | 179.67 | 67.50 | 221.76 | - | 98.00 | 123.76 | |
| | | Share Issue | - | - | - | - | 351.43 | 351.43 | - | 155.00 | 155.00 | - | - | - | - | |
| | | foreign travelling exps | - | - | - | - | - | - | - | - | - | - | - | 0.25 | 0.25 | - |
| Chandragupt Prakash Mangal | Promoter | Salary | 3.31 | 6.00 | 9.31 | - | 4.50 | 4.50 | - | 6.09 | 6.09 | - | - | - | - | |
| | | Share Issue | 2.31 | - | 2.31 | - | - | - | - | - | - | - | - | - | - | |
| | | foreign travelling exps | - | - | - | - | - | - | - | - | - | - | - | 0.25 | 0.25 | |
| | | Interest on Borrowing | 0.12 | - | 0.12 | - | - | - | - | - | - | - | - | - | - | |
| Mangalam Worldwide Private Limited | Associate Company | loan | 13.00 | - | 13.00 | - | 507.12 | 451.00 | 56.12 | 166.88 | 75.00 | 148.00 | - | 98.00 | 50.00 | |
| | | Share Issue | - | - | - | - | 386.37 | 386.37 | - | 155.00 | 155.00 | - | - | - | - | |
| | | Consultancy Fees | - | 6.50 | 6.50 | - | 10.25 | 10.25 | - | - | - | - | - | - | - | |
| | | Reimbursement Expense | - | - | - | - | - | - | - | - | - | - | 0.02 | 0.02 | - | |
| Hind Prakash Castor Derivatives Pvt Ltd | Subsidiary Company | Share Issue | - | - | - | - | 645.00 | 645.00 | - | - | - | - | - | - | - | |
| | | Sales (Rent) | - | - | - | - | 1.30 | 1.30 | - | - | - | - | - | - | - | |
| | | Sales & Purchase | 20.50 | 159.82 | 159.82 | 20.50 | 5,193.30 | 5,172.80 | - | - | - | - | - | - | - | |
| | | Rent Deposit | 20.00 | - | 20.00 | - | 20.00 | - | - | - | - | - | - | - | - | |
| | | Rent Expenses | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Shanker Global Pvt. Ltd. | Associate Company | Rent Income | 0.77 | 32.40 | 33.17 | - | 0.57 | 0.57 | - | - | - | - | - | - | | |
| | | Loans and Advance | 9.30 | 32.80 | 190.00 | 166.50 | 404.50 | 238.00 | - | - | - | - | - | - | | |
| | | Interest on advance | 7.63 | 3.83 | - | 3.81 | 3.81 | - | - | - | - | - | - | - | | |
| | | Purchase | - | - | - | - | - | - | - | - | 1,168.56 | 1,168.56 | - | - | - | |
| Hindprakash Tradelink Private Limited | Associate Company | Sales | - | - | - | - | - | - | - | 398.06 | 398.06 | - | 134.23 | 134.23 | | |
| | | Interest on Borrowing | 0.87 | - | 0.87 | - | 6.92 | 6.92 | - | - | - | - | - | - | | |
| | | Loan | 160.00 | - | 160.00 | - | 980.75 | 980.75 | - | 0.09 | 95.09 | 95.00 | 95.00 | - | | |
| Shirshak Exim LLP | Associate Company | Reimbursement Expense | - | 0.03 | 0.03 | - | - | - | - | - | - | - | - | - | | |
| | | Purchase | - | - | - | - | 272.03 | 272.03 | - | - | - | - | - | - | | |
| Zaddoc Nutrition Private Limited | Associate Company | Share Issue | - | - | - | - | 564.02 | 564.02 | - | - | - | - | - | - | | |
| | | Interest on Borrowing | - | - | - | - | 19.19 | 19.19 | - | - | - | - | - | - | | |
| Ecofine Colourchem Private Limited | Associate Company | Loans | 8.10 | - | - | 8.10 | - | - | - | - | - | - | - | - | | |
| | | Interest on advance | 0.50 | - | - | 0.50 | 0.50 | - | - | - | - | - | - | - | | |
| ECS Environment Private Limited | Associate Company | Purchase of fixed asset | - | - | - | - | 1.83 | 1.83 | - | - | - | - | - | - | | |
| | | Rent Income | 0.06 | - | - | 0.06 | 0.61 | 0.55 | - | - | - | - | - | - | | |
| | | Sales | 93.48 | - | 23.06 | 116.54 | 125.54 | 9.00 | - | - | - | - | - | | | |

OTHER FINANCIAL INFORMATION

For details on Other Financial Information please refer to “Annexure 27 - Summary Statement of Accounting Ratios” under chapter titled “*Restated Financial Information*” beginning on Page 193 of this Prospectus.

Also for Capitalisation Statement refer the “Annexure 28 - Summary Statement of Capitalisation” under chapter titled “*Restated Financial Information*” beginning on Page 193 of this Prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Standalone Financial Statements for the years ended March 31, 2019, 2018 and 2017 and for the period ended June 30, 2019 including the related notes and reports, included in this Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years/period. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 35 and 21 respectively, and elsewhere in this Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

OVERVIEW

Our Company was originally incorporated as "Hindprakash Colourchem Private Limited" as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 27, 2010 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The name of our company was changed to "Mangalam Global Enterprise Private Limited" pursuant to shareholders resolution passed at Extra-Ordinary General Meeting of our company held on June 28, 2014 and a fresh Certificate of Incorporation dated July 31, 2014 was issued by Registrar of Companies, Ahmedabad. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on September 17, 2019 and the name of our Company was changed to "Mangalam Global Enterprise Limited". A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 30, 2019 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24224GJ2010PLC062434.

Incorporated in the year 2010, our Company Mangalam Global Enterprise Limited belongs to Ahmedabad based Mangalam group of Companies set up by Mangal Family and led by the vision of Mr. Vipin Prakash Mangal. In this dynamic and extremely competitive business environment, we have developed a diversified business model with our offerings ranging from castor oil to cotton products. We have been successfully catering to these two different sectors in our business operations.

We are mainly engaged in the business of manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De-Oiled Cake and High Protein Castor De-Oiled Cake for the domestic market as well as for exports to international markets. We have also diversified our business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. We were engaged in the trading business before starting commercial manufacturing of our abovementioned products in the FY 2018-19. Company has one cotton processing unit at Harij, Gujarat and two well-equipped Castor processing units at Harij and Palanpur, Gujarat respectively for undertaking manufacturing operations of abovementioned two product segments. We are also engaged in the trading of Castor Seeds and Raw Cotton.

Castor oil is a yellow viscous liquid free from suspended matter and insoluble in water. It is produced by refining commercial grade Castor Oil after undertaking bleaching and filtering process. Castor oil has multiple industrial applications and is extensively demanded in Lubricants, Paints, Pharmaceuticals, Cable insulators, Sealants, Inks, Rubber and Textiles etc. It is also used to relief Constipation, Eyelashes grow, Hair grow, Skin moisturiser ad to improve immunity function. It is also used for applying on food grains to protect from the insects/fungus. Castor De-Oil Cake is fertilizer consisting of high content of Nitrogen, Phosphoric Acid, Potash and moisture

retention and it is also the prominent organic fertilizer which can be used as alternatives to chemical fertilizer. It is simple manure, which acts progressively that encourages soil microbial activity. High Protein Castor De Oiled Cake is an organic manure which enhances the fertility of the soil without causing any damage or decay.

Our Castor oil manufacturing facilities situated at Harij and Palanpur, Gujarat are installed with automated machineries having crushing and processing capacity of 450 MT Castor Seeds per day at each facilities. The said manufacturing units are equipped with installed capacity of producing 225 MT Castor Refined Oil (F.S.G.) per day and 220 MT Castor De- Oiled Cake per day at each facilities. Both facilities also have solvent capacity of 200 MT.

Our journey in the Cotton Manufacturing Industry started in the year 2018. With gaining an insight of the industry coupled with an available opportunity, our Company ventured into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. The main application of ginned cotton referred to as lint is for spinning operations. The cotton moves through the Spinning machines and is then converted into Cotton yarn. Black cottonseeds are used as feed products for livestock and are also crushed into the Oil mill to extract oil (Cottonseed Oil).

Technology is a crucial aspect of the cotton industry. The level of advancement determines the productivity of machines and labour, which in turn, determines the production and profitability of our Company. Our technical team is equipped with modern ginning technology and processing techniques by virtue of which we are able to ensure quality output. At present, we have a manufacturing unit well equipped with requisite ginning and pressing machineries and with a processing capacity of 150 MT per day.

We have our Testing Laboratories within the premises of manufacturing units. Our manufacturing facility has fully equipped quality control department with experienced staff to facilitate smooth manufacturing process. We have in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the relevant customers. All the products are being manufactured strictly as per quality norms using the expertise of our experienced team to provide quality output to our customers at competitive prices.

Our Company has marked its presence in both domestic as well as global markets. We supply our products in states such as Gujarat, Rajasthan, Delhi, Maharashtra, West Bengal. In order to capture growing demand for Castor Oil in international market and to create a more responsive and cost-effective supply chain, we started our export operations. We export our products to countries such as Thailand, Oman.

The experience and trade relations developed by our promoters and management have been one of the key instrumental factors in the growth of our Company. We have 51% holding in Hindprakash Castor Derivatives Private Limited (HCDPL) and Farpoint Enterprise LLP (Farpoint), thus making them as our Subsidiary Companies. HCDPL is engaged in the business of manufacturing of castor oil, castor oil derivatives, edible and non-edible oils, oilseeds, oil cakes, kernels and by-products and trading of chemicals, dyes, dyestuff, colour chemicals & intermediates. Farpoint is engaged in the business of Manufacturing and trading of all types of articles, goods and commodities. We have recently started a separate business unit at Singapore by incorporating Wholly Owned Subsidiary – Mangalprakash (Singapore) PTE. Limited. It is engaged in the business of Whole Sale Trading of Goods. For further details of the same, please refer chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 152 of the Prospectus.

The promoters of our Company are Vipin Prakash Mangal, Chanakya Prakash Mangal and Chandragupt Prakash Mangal. They have an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. Our Promoters believe in the ideology of continuous improvement and development. Also, we believe role of a management team is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations.

We endeavour to satisfy customers by continuous improvement through process innovation and quality maintenance. We focus on producing quality product to increase customer satisfaction and develop a positive brand image in the industry. Our management and team has enable us to maintain continuing customer relations, ensuring repeat order flows. We aim to grow our operations on PAN India basis and make our brand as a distinguished name in industry.

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 profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as stated below:

1. Our Company has allotted 93,01,928 Equity shares pursuant to Bonus Issue vide Board Resolution dated September 03, 2019;
2. The company has increased the borrowing power to Rs. 1,00,000.00 lakhs in the Extraordinary General Meeting held on September 23, 2019.
3. Our Company has allotted 2,00,000 Equity shares pursuant to Preferential Allotment vide Board Resolution dated October 16, 2019;

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 35 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Seasonal Volatility in Business
- Fluctuations in the price of raw materials;
- Limited operating history of manufacturing operations;
- Competition from existing and new entrants;
- Fluctuation in the prices of Foreign currency exchange rate
- High volume-low margin business;
- Economic and Demographic conditions; and
- Changes in laws and regulations that apply to castor and Industry in domestic and international market.

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The Restated Standalone Summary Statement of Assets and Liabilities of the Company as at June 30 2019, March 31 2019, 2018 and 2017 the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flows for the period/ years ended June 30 2019, March 31 2019, 2018 and 2017 and the annexures thereto (herein collectively referred to as 'Restated Standalone Financial Information') have been compiled by the management of the Company from the audited financial statements of the Company for the period/ years ended June 30 2019, March 31, 2019, 2018 and 2017 and have been prepared specifically for the purpose of inclusion in the Offer Document to be filed by the Company with the EMERGE portal of National Stock Exchange of India Limited ('NSE')

These aforementioned audited financial statements were prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. These audited financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Act/ Companies Act, 1956, as applicable.

The Restated Standalone Financial Information have been prepared to comply in all material aspects with the requirements of Section 26(1)(b) of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time).

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. Based on nature of products/services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Use of estimates

The preparation of Restated Standalone Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

c) Depreciation

The Company provides pro-rata depreciation on additions and disposals made during the year.

Prior to 1 April 2014, depreciation on property, plant and equipment has been provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

With effect from 1 April 2014, pursuant to the notification of Schedule II to the Companies Act, 2013, depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed under Part C of Schedule II to the Companies Act, 2013.

d) Revenue Recognition

- 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.
- 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.
- 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.
- Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realization exists.
- Dividend income is recognised when the right to receive the dividend is established.

e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Expenditure on addition, improvements and renewals is capitalized and expenditure for maintenance and repair is charged to Profit and Loss account.

f) Foreign Currency Transactions

The reporting currency of the Company is Indian Rupee.

- Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rates prevailing at the date of the transaction.
- Monetary assets and monetary liabilities denominated in foreign currencies are converted at rate of exchange prevailing on the date of the Balance Sheet.
- Exchange differences on settlement/conversion are included in the Statement of Profit and Loss in the period in which they arise.
- The premium or discount on forward exchange contract is recognised in the Statement of Profit & Loss over the period of the contract.

g) Investments

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realisable and intended to be held for not more than a year are valued at lower of cost and net realisable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss.

h) Employee benefits

i. Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences etc. are recognised in the period in which the employee renders the related service.

ii. Post-employment benefits:

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 governments Authorities, and it has no further obligation beyond making its contribution, which is expensed in the period to which it pertain.

Defined benefit plans:

The Company has defined benefit plan in the form of gratuity and compensated absences. The same is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

i) Borrowing Costs

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of Borrowings. General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

j) Taxes on income

Tax expenses comprise of current and deferred tax

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.

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.

k) Inventories

Inventories consisting of Raw Materials, Work-in-Process, Finished Goods and Traded 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.

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.

l) Impairment of assets

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on its eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset’s net sales price or present value as determined.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

m) Government Grant

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.

n) Earning Per Share

Basic Earnings per Share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding at the end of the year. Diluted earnings per share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity share outstanding at the end of the year.

o) Current Assets, Loans and Advances

The balance under item of Sundry Debtors, Loans and Advances and Current liabilities are subject to confirmation and reconciliation and consequential adjustments, wherever applicable. However in the opinion of the Management, the realisable value of the current assets, loans and advances in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

p) Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable

estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to their present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises of revenue from manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. We have also diversified our business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds. Also our company is into trading of Castor Oil, Castor Seeds, Edible Oils, textile merchandise and other dyes & intermediates. Our revenue from operations also includes other operating income in the nature of lease rent from immovable properties and agency service income.

Other Income

Our other income mainly includes interest income on fixed deposits, gain on foreign exchange fluctuations, interest on delayed supply of goods, interest from short term advances given, gain on sale of investments, scrap sales and other interest income.

Expenses

Our total expenses excluding taxes comprise of cost of material consumed, purchase of stock in trade, changes in inventories of finished goods and stock in trade, employee benefit expenses, finance costs, depreciation & amortisation expenses and other expenses.

Cost of material consumed

Our cost of material consumed include purchase of raw materials for our castor oil and cotton bales segment. Major raw material for castor oil production is Castor seeds which is expelled to produce castor oil and de-oiled cake. The basic raw material required for production of cotton bales in raw kapas (cotton seed) which is processed through ginning process.

Purchase of Stock In Trade

Our expenditure on purchase of stock-in-trade consists of purchase of textile & textile merchandise, dyes & intermediates, edible oil, grey cloth, castor oil and castor seeds for trading sales made during the year.

Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Changes in inventories of finished goods, work-in-progress and stock in trade consist of change in our inventories of finished goods, work-in-progress & stock in trade as at the beginning and end of the year/ period.

Employee benefit expenses

Our employee benefit expenses mainly include salaries wages & bonus, directors' remuneration, contribution to provident and other funds, gratuity expense and staff welfare expenses.

Finance costs

Our finance costs mainly include interest on long term & short term secured borrowings, bank charges and other financial charges etc.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and amortisation of intangible assets.

Other expenses

Our other expenses includes manufacturing expenses and administrative & selling expenses. Our manufacturing expenses comprises of

Power & Fuel, Loading-Unloading Expense, Lease Rent Expense, Factory Consumable, Other Factory Expense, Repair & Maintenance - Plant & Machinery, Repair & Maintenance - Others, Raw Material (Commodity) Hedging Cost, Packing Expenses

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the period ended June 30, 2019 and years ended March 31, 2019, 2018 and 2017 the components of which are also expressed as a percentage of total revenue for such periods:

| Particulars | For the Period ended June 30, 2019 | | For the Year ended March 31, 2019 | | For the Year ended March 31, 2018 | | For the Year ended March 31, 2017 | |
|---|---------------------------------------|----------------|--------------------------------------|----------------|--------------------------------------|----------------|--------------------------------------|----------------|
| | Rs. in Lakhs | (%)* | Rs. in Lakhs | (%)* | Rs. in Lakhs | (%)* | Rs. in Lakhs | (%)* |
| Revenue from operations | 14,570.98 | 99.85% | 32,949.72 | 99.84% | 2,689.36 | 99.98% | 268.51 | 99.93% |
| Other income | 21.79 | 0.15% | 54.01 | 0.16% | 0.47 | 0.02% | 0.20 | 0.07% |
| Total revenue | 14,592.77 | 100.00% | 33,003.73 | 100.00% | 2,689.83 | 100.00% | 268.71 | 100.00% |
| Expenses | | | | | | | | |
| Cost of materials consumed | 13,215.59 | 90.56% | 18,294.58 | 55.43% | - | - | - | - |
| Purchase of stock-in-trade | 750.62 | 5.14% | 14,138.27 | 42.84% | 2,578.65 | 95.87% | 182.17 | 67.80% |
| Changes in inventories | (252.91) | (1.73%) | (865.81) | (2.62%) | 2.11 | 0.08% | 35.90 | 13.36% |
| Employee benefits expense | 123.69 | 0.85% | 187.00 | 0.57% | 18.00 | 0.67% | 4.22 | 1.57% |
| Finance costs | 105.78 | 0.72% | 266.70 | 0.81% | 1.59 | 0.06% | 0.01 | 0.00% |
| Depreciation and amortisation expense | 4.40 | 0.03% | 15.49 | 0.05% | 6.76 | 0.25% | 2.42 | 0.90% |
| Other expenses | 503.98 | 3.45% | 665.45 | 2.02% | 48.82 | 1.82% | 29.77 | 11.08% |
| Total expenses | 14,451.15 | 99.03% | 32,701.68 | 99.08% | 2,655.93 | 98.74% | 254.49 | 94.71% |
| Profit before exceptional, extraordinary items and tax | 141.62 | 0.97% | 302.05 | 0.92% | 33.90 | 1.26% | 14.22 | 5.29% |
| Extraordinary and Exceptional items | - | - | - | - | - | - | - | - |
| Profit before Tax | 141.62 | 0.97% | 302.05 | 0.92% | 33.90 | 1.26% | 14.22 | 5.29% |
| Tax expense | | | | | | | | |

| | | | | | | | | |
|-------------------------------------|---------------|--------------|---------------|--------------|--------------|--------------|-------------|--------------|
| Current tax | 35.76 | 0.25% | 81.92 | 0.25% | 6.46 | 0.24% | 2.71 | 1.01% |
| MAT Credit | - | - | - | - | (0.55) | (0.02%) | (2.01) | (0.75%) |
| Deferred tax (credit)/charge | 0.48 | 0.00% | 3.16 | 0.01% | 2.09 | 0.08% | 4.11 | 1.53% |
| Total Tax Expense | 36.25 | 0.25% | 85.08 | 0.26% | 8.00 | 0.30% | 4.81 | 1.79% |
| Profit for the period / year | 105.38 | 0.72% | 216.97 | 0.66% | 25.90 | 0.96% | 9.41 | 3.50% |

* (%) column represents percentage of total revenue.

Review of Operation for the Period Ended June 30, 2019

Total Revenue

Our total revenue amounted to Rs. 14,592.77 lakhs for the period ended June 30, 2019 which is on account of revenue from operations and other income as described below.

Revenue from operations

Revenue from operations amounted to Rs. 14,570.98 lakhs for the period ended June 30, 2019 which was 99.85% of our total revenue. It was primarily on account of manufacturing sales of castor oil, castor DOC, cotton bales and cotton seeds amounting to Rs. 13,822.06 lakhs which is 94.86% of our revenue from operations. Our revenue from operations also includes sale of services of Rs. 127.03 lakhs which is on account of agency services. Also our company is into trading of castor oil and castor seeds which provided an income of Rs. 605.58 lakhs for the period ended June 30, 2018. Our other operating revenue of Rs. 16.31 lakhs comprises of lease rental income from immovable properties of Rs. 15.62 lakhs and export incentive income of Rs. 0.68 lakhs.

Other income

Our other income was Rs. 21.79 lakhs for the period ended June 30, 2019 which was 0.15% of our total revenue. Our other income comprises of Interest from bank deposits of Rs. 9.06 lakhs, gain on foreign exchange of Rs. 8.30 lakhs and interest from loans and advances of Rs. 4.25 lakhs amongst others.

Total Expenses

Our total expenses, excluding tax amounted to Rs. 14,451.15 lakhs for the period ended June 30, 2019 which was 99.03% of our total revenue.

Cost of material consumed

Our cost of material consumed for the period ended June 30, 2019 was Rs. 13,215.59 lakhs which comprised cost of purchase of raw material which majorly include castor seeds and raw kapas which are used to manufacture castor oil, castor DOC, cotton bales and cotton seeds as our finished goods for sale.

Purchase of stock in trade

The purchase of stock in trade for the period ended June 30, 2019 amounted to Rs. 750.62 lakhs. Increase in purchase was on account of increase in sale of castor oil and castor seeds.

Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

Changes in inventories of finished goods and work-in-progress and stock-in-trade for the period ended June 30, 2019 was Rs. (252.91) lakhs consists of change in our inventories of finished goods, work-in-progress and stock in trade as at the beginning and end of the period.

Employee Benefit Expenses

Our employee benefit expenses for the period ended June 30, 2019 were Rs. 123.69 lakhs which primarily comprised of director's remuneration of Rs. 18.13 lakhs, salary & wages of Rs. 97.43 lakhs, contribution to provident and other funds of Rs. 1.32 lakhs, provision for gratuity and leave encashment of Rs. 0.92 lakhs and staff welfare expenses of Rs. 5.89 lakhs.

Finance Costs

Our finance costs for the period ended June 30, 2019 were Rs. 105.78 lakhs primarily consisting of interest on secured and unsecured borrowings from banks and financial institution and unsecured loans from directors and relatives of Rs. 105.68 lakhs and other borrowing charges of Rs.0.10 lakhs.

Depreciation and Amortization Expenses

Our Depreciation and amortization expenses were Rs. 4.40 lakhs for the period ended June 30, 2019 on account of depreciation on tangible and intangible fixed assets.

Other expenses

Our other expenses for the period ended June 30, 2019 were Rs. 503.98 lakhs which primarily comprises of manufacturing expenses of Rs. 234.84 lakhs and administrative expenses of Rs. 269.14 lakhs. Our manufacturing expenses includes power & fuel of Rs. 58.18 lakhs, loading and unloading expenses of Rs. 22.90 lakhs, lease rent expense of Rs. 78.78 lakhs, factory consumable of Rs. 16.84 lakhs, other factory expense of Rs. 0.11 lakhs, repair & maintenance of Rs. 27.74 lakhs, raw material hedging cost of Rs. 25.01 lakhs and packing expenses of Rs. 5.29 lakhs. Our Administrative expenses includes outward freight of Rs. 143.74 lakhs, consultancy expenses of Rs. 46.62 lakhs, travelling expenses of Rs. 18.29 lakhs, export freight of Rs. 10.73 lakhs, legal consultancy expenses of Rs. 7.69 lakhs, other expenses of Rs. 6.33 lakhs, godown rent of Rs. 5.91 lakhs, donation of Rs. 5.00 lakhs, rent of Rs. 4.66 lakhs, insurance expenses of 3.48 lakhs, testing fees of Rs. 2.94 lakhs, office expenses of Rs. 1.78 lakhs, communication expenses of Rs. 1.57 lakhs, cash discount of Rs. 1.22 lakhs, sales commission expenses of Rs. 1.21 lakhs, repairs and maintenance of Rs. 1.20 lakhs, electricity expenses of Rs. 1.11 lakhs and business promotion expenses of Rs. 1.07 lakhs.

Profit before Tax

Our Profit before tax for the period ended June 30, 2019 was Rs.141.62 lakhs which was 0.97% of our total revenue.

Tax Expenses

Our tax expenses for the period ended June 30, 2019 was Rs. 36.25 lakhs which primarily on account of current tax expense of Rs. 35.76 lakhs and deferred tax expenses of Rs. 0.48 lakhs. Our tax expenses were 0.25 % of our total revenue.

Profit after Tax

Our profit after tax for the period ended June 30, 2019 was Rs.105.38 lakhs forming 0.72% of our total revenue.

FINANCIAL YEAR 2018-19 COMPARED WITH FINANCIAL YEAR 2017-18

Total Revenue

Our total revenue increased by 1126.98% to Rs.33,003.73 lakhs for the financial year 2018-19 from Rs. 2,689.83 lakhs for the financial year 2017-18 due to the factors described below:

Revenue from operations

Our revenue from operations increased by 1125.19% to Rs. 32,949.72 lakhs for the financial year 2018-19 from Rs. 2,689.36 lakhs for the financial year 2017-18. Our company was into trading of castor oil, cloth, textile & textile merchandise and dyes & intermediates till financial year 2017-18 and from the financial year 2018-19 our company started its manufacturing operations for the production of castor oil, castor DOC, cotton bales and cotton seeds. Manufacturing sales as a part of total revenue from operations is 54.76%. Increase in our trading revenue was on account of increase in trading of castor oil by 954.39% Rs. 12183.48 lakhs in the financial year 2018-19 from Rs. 1155.50 lakhs in the financial year 2017-18 and also due to commencement of trading of castor seeds of Rs. 1958.04 lakhs in the financial year 2018-19. Also our agency services revenue increased to Rs. 596.39 lakhs which was nil in financial year 2017-18. Our company has also earned export incentive income as a part of other operating revenue from our business. However the increase in our revenue was partially offset by decrease in our lease rent on account of immovable properties to Rs. 61.02 lakhs in financial year 2018-19 from Rs. 75.57 lakhs in financial year 2017-18.

Other income: Our other income increased to Rs. 54.01 lakhs for the financial year 2018-19 from Rs. 0.47 lakhs for the financial year 2017-18 mainly due to increase in Interest from loans and advance in the form of inter

corporate deposits by Rs. 38.26 lakhs, increase in interest from delayed supply of goods by Rs. 10.63 lakhs and increase in gain on foreign exchange by Rs. 2.71 lakhs among others.

Total Expenses

Our total expenses increased by 1131.27% to Rs. 32,701.68 lakhs for the financial year 2018-19 from Rs.2,655.93 lakhs for the financial year 2017-18, due to the factors described below:

Cost of material consumed

Our cost of material consumed was Rs. 18,294.58 lakhs for the financial year 2018-19 as compared to Nil for the financial year 2017-18. Our company started its manufacturing operations for refined castor oil, castor de oiled cake, cotton bales (lint cotton) and delineate cotton seeds from the financial year 2018-19. Castor seeds and raw kapas are mainly used as the basic raw materials for production of the finished goods.

Purchase of stock in trade

The purchase of stock in trade increased by 448.28% to Rs. 14,138.27 lakhs for the financial year 2018-19 as against Rs. 2,578.65 lakhs for the financial year 2017-18. Increase in purchase was on account of increase in sale of castor oil and castor seeds in the financial year 2018-19.

Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

The changes in inventories of finished goods, WIP and stock in trade was Rs. (865.81) lakhs for the financial year 2018-19 as against Rs. 2.11 lakhs for the financial year 2017-18. Increase in inventories was on account of commencement of manufacturing operations as until financial year 2017-18 our company was only under trading which doesn't require high inventory storage.

Employee benefits expenses

Our employee benefit expenses increased by 938.89% to Rs. 187.00 lakhs for the financial year 2018-19 from Rs. 18.00 lakhs for the financial year 2017-18. The increase was mainly on account of increase in salary & wages by Rs. 148.64 lakhs, directors' remuneration by Rs. 8.05 lakhs, gratuity and leave encashment by Rs. 6.05 lakhs, staff welfare expenses by Rs. 3.72 lakhs and contributions to provident fund and other fund by Rs. 2.53 lakhs. Increase in salaries was on account of increase in number of employees to 74 in financial year 2018-19 in financial year 2018-19 from 3 in financial year 2017-18.

Finance costs

Our finance costs increased to Rs. 266.70 lakhs for the financial year 2018-19 from Rs. 1.59 lakhs for the financial year 2017-18. The increase was mainly on account of increase in interest on secured and unsecured borrowings by Rs. 240.08 lakhs and other borrowing costs by Rs. 25.02lakhs.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 128.99% to Rs. 15.49 lakhs for the financial year 2018-19 from Rs. 6.76 lakhs for the financial year 2017-18. The gross block of fixed assets increased by Rs. 16.04 lakhs during the financial year 2018-19.

Other expenses

Our other expenses increased by 1263.02% to Rs. 665.45 lakhs for the financial year 2018-19 from Rs. 48.82 lakhs for the financial year 2017-18. The increase was on account of commencement of manufacturing activities in the financial year 2018-19 due to which our company incurred manufacturing expenses of Rs. 291.13 lakhs. It majorly comprises of power & fuel of Rs. 94.41 lakhs, lease rent expenses by Rs. 76.01 lakhs, repair & maintenance of Rs. 30.95 lakhs, factory consumable of Rs. 26.84 lakhs, loading & unloading expense of Rs. 25.10 lakhs, raw material hedging cost of Rs. 12.08 lakhs, packing expenses of Rs. 9.12 lakhs and other factory expenses of Rs. 16.62 lakhs. Our administrative, selling and other expenses increased to Rs. 374.32 lakhs for the financial year 2018-19 from Rs. 48.82 lakhs for the financial year 2017-18. The increase was on account of increase in outward freight by Rs. 183.65 lakhs, consultancy expenses by Rs. 42.57 lakhs, sales commission expenses by Rs. 17.46 lakhs, travelling expenses by Rs. 13.27 lakhs, legal consultancy expenses by Rs. 13.06 lakhs, handling expenses by Rs. 9.10 lakhs, export freight and expenses by Rs. 7.88 lakhs, repairs and maintenance charges by Rs. 7.44 lakhs, testing fees by Rs. 4.14 lakhs, godown rent by Rs. 4.09 lakhs,

business promotion expenses by Rs. 3.74 lakhs, office expenses by Rs. 3.73 lakhs, auditor's remuneration by Rs. 3.00 lakhs, other expenses by Rs. 2.45 lakhs, conveyance expenses by Rs. 2.09 lakhs, repairs and maintenance by Rs. 2.05 lakhs, printing and stationary expenses by Rs. 1.92 lakhs, rates & taxes by Rs. 1.11 lakhs, electricity expenses by Rs. 1.08 lakhs, and donation by Rs. 1.01 lakhs etc. amongst others. The increase was partially offset by decrease in rent by Rs. 1.97 lakhs and brokerage expenses by Rs. 0.63 lakhs. Our company has 2 units where it runs its production activities and both the units are leased out due to which led to increase in our lease rent expenses.

Profit before tax

Our profit before tax increased by 791.22% to Rs. 302.05 lakhs for the financial year 2018-19 from Rs. 33.89 lakhs for the financial year 2017-18. Increase in profit was on account of increase in overall manufacturing productions which resulted in the overall business operations of the company.

Tax expenses

Our tax expense for the financial year 2018-19 amounted to Rs. 85.08 lakhs as against expense of Rs. 8.00 lakhs for the financial year 2017-18. The increase was on account of increase in current tax expenses by Rs. 75.46 lakhs, increase in deferred tax liability by Rs. 1.07 lakhs and increase in availment of MAT credit by Rs. 0.55 lakhs.

Profit after tax

Due to reasons mentioned above, our profit after tax increased by 737.97% to Rs. 216.97 lakhs for the financial year 2018-19 from Rs. 25.90 lakhs for the financial year 2017-18.

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue increased by 901.01% to Rs. 2,689.83 lakhs for the financial year 2017-18 from Rs. 268.71 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations

Our revenue from operations increased by 901.58% to Rs. 2,689.36 lakhs for the financial year 2017-18 from Rs. 268.51 lakhs for the financial year 2016-17. The increase was on account of increase in trading sales by Rs. 2,383.71 lakhs to Rs. 2,613.79 lakhs in the financial year 2017-18 from Rs. 230.08 lakhs in the financial year 2016-17 and also increase in other operating revenue by Rs. 37.90 lakhs. Increase in our trading revenue was on account of commencement of trading of castor oil, intermediates and dyes which provided a revenue of Rs. 1,837.18 lakhs also our trading sales of grey cloth increased by Rs. 571.37 lakhs in the financial year 2017-18. Increase in our other operating revenue was on account on increase in lease rent from immovable properties. However the increase was partially offset by decrease in sale of agency services by Rs. 0.76 lakhs.

Other income: Our other income increased by 133.11% to Rs. 0.47 lakhs for the financial year 2017-18 from Rs. 0.20 lakhs for the financial year 2016-17 mainly due to increase in gain on sale of investment by Rs. 0.42 lakhs and interest from loans and advance by Rs. 0.05 lakhs which was partially offset by decrease in interest on income by Rs. 0.20 lakhs.

Total Expenses

Our total expenses increased by 943.61% to Rs. 2,655.93 lakhs for the financial year 2017-18 from Rs. 254.49 lakhs for the financial year 2016-17, due to the factors described below:

Purchase of stock in trade

The purchase of stock in trade increased by 1315.49% to Rs. 2,578.65 lakhs for the financial year 2017-18 from Rs. 182.17 lakhs for the financial year 2016-17. The increase was in line with increase in our trading revenue.

Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade:

The amount of changes in inventories of finished goods, work-in-progress and stock in trade was Rs. 2.11 lakhs for the financial year 2017-18 as against Rs. 35.90 lakhs for the financial

year 2016-17. Decrease in inventory was on account of decrease in stock-in-trade during the financial year 2017-18.

Employee benefits expenses

Our employee benefit expenses increased by 326.59% to Rs.18.00 lakhs for the financial year 2017-18 from Rs.4.22 lakhs for the financial year 2016-17. The increase was mainly on account of increase in salary & wages by Rs.6.39 lakhs and director remuneration by Rs. 7.50 lakhs. The increase was partially offset by decrease in staff welfare expenses by Rs. 0.11 lakhs

Finance costs

Our finance costs increased to Rs.1.59 lakhs for the financial year 2017-18 from Rs.0.01 lakhs for the financial year 2016-17. The increase was mainly due to increase in interest expenses on secured term loans from banks by Rs. 1.57 lakhs and other borrowing cost by Rs.0.02 lakhs.

Depreciation and amortization expense

Our depreciation and amortization expense increased by 179.47% to Rs.6.76 lakhs for the financial year 2017-18 from Rs.2.42 lakhs for the financial year 2016-17. The gross block of fixed assets increased by Rs.161.01 lakhs during the financial year 2017-18.

Other expenses

Our other expenses increased by 63.98% to Rs.48.82 lakhs for the financial year 2017-18 from Rs.29.77 lakhs for the financial year 2016-17. The increase was on account of increase in consultancy expenses by Rs. 16.80 lakhs, sales commission expenses by Rs. 7.33 lakhs, office expenses by Rs. 1.73 lakhs and repairs and maintenance by Rs. 1.19 lakhs amongst others. The increase was partially offset by decrease in legal consultancy expenses by Rs. 4.58 lakhs, advertisement expenses by Rs. 2.83 lakhs, travelling expenses by Rs. 1.61 lakhs and conveyance expenses by Rs. 1.26 lakhs, etc. amongst others.

Profit before tax

Our profit before tax increased by 138.40% to Rs. 33.90 lakhs for the financial year 2017-18 from Rs.14.22 lakhs for the financial year 2016-17.

Tax expenses

Our tax expense for the financial year 2017-18 amounted to Rs. 8.00 lakhs as against expense of Rs.4.81 lakhs for the financial year 2016-17. The increase was on account of increase in current tax expenses by Rs. 3.75 lakhs and availment of MAT credit of Rs. 1.46 lakhs which was partially set off by decrease in deferred tax liability by Rs. 2.02 lakhs.

Profit after tax

Due to reasons mentioned above, our profit after tax increased by 175.31% to Rs. 25.90 lakhs for the financial year 2017-18 from Rs. 9.41 lakhs for the financial year 2016-17.

Other Key Ratios

The table below summaries key ratios in our Restated Standalone Financial Statements for the period ended June 30, 2019 and financial years ended March 31, 2019, 2018 and 2017:

| Particulars | For the period ended June 30, 2019 | For the year ended March 31, | | |
|----------------------------|------------------------------------|------------------------------|------|--------|
| | | 2019 | 2018 | 2017 |
| Fixed Asset Turnover Ratio | 20.51 | 46.54 | 3.80 | 0.49 |
| Debt Equity Ratio | 1.58 | 0.34 | 0.45 | 71.85 |
| Current Ratio | 1.37 | 2.54 | 1.37 | 1.43 |
| Inventory Turnover Ratio | 2.69 | 22.30 | - | 127.53 |

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets including intangible assets but excluding capital work-in-progress based on Standalone Restated Financial Statements.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long term debt, based on Standalone Restated Financial Statements. Total shareholder funds is sum of equity share capital and reserve and surplus based on Standalone Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Standalone Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by closing inventory based on Standalone Restated Financial Statements.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years March 31, 2019, 2018 and 2017 and period ended June 30, 2019:

(Rs. In lakhs)

| Particulars | For the period ended June 30, 2019 | For the year ended March 31, | | |
|--|------------------------------------|------------------------------|----------|----------|
| | | 2019 | 2018 | 2017 |
| Net cash (used in)/ generated from operating activities | (3947.37) | (2,712.09) | 69.95 | (304.39) |
| Net cash (used in)/ generated from investing activities | (143.63) | (397.99) | (173.68) | (312.98) |
| Net cash (used in)/ generated from financing activities | 4092.75 | 3,103.77 | 102.85 | 619.65 |
| Net increase/ (decrease) in cash and cash equivalents | 1.75 | (6.31) | (0.89) | 2.27 |
| Cash and Cash Equivalents at the beginning of the period | 3.50 | 9.81 | 10.69 | 8.42 |
| Cash and Cash Equivalents at the end of the period | 5.25 | 3.50 | 9.81 | 10.69 |

Operating Activities

For the period ended June 30, 2019

Our net cash used in operating activities was Rs. 3947.37 lakhs for the period ended June 30, 2019. Our operating profit before working capital changes was Rs. 230.94 lakhs for the period ended June 30, 2019 which was primarily adjusted by payment of income tax of Rs. 35.76 lakhs, increase in inventories by Rs. 3940.95 lakhs, increase in loans & advances and other assets by Rs. 142.39 lakhs, increase in trade receivables by Rs. 142.94 lakhs, decrease in short term provisions by Rs. 37.93 lakhs, increase in other liabilities by Rs. 18.92 lakhs, increase in long term liabilities by Rs. 13.38 lakhs and increase in trade payables by Rs. 89.35 lakhs.

Financial year 2018-19

Our net cash used in operating activities was Rs. 2712.09 lakhs for the financial year 2018-19. Our operating profit before working capital changes was Rs. 536.42 lakhs for the financial year 2018-19 which was primarily adjusted by payment of income tax of Rs. 81.92 lakhs, increase in inventories by Rs. 1477.24 lakhs, increase in loans & advances and other assets by Rs. 1164.17 lakhs, increase in trade receivables by Rs. 711.29 lakhs, increase in short term provisions by Rs. 135.03 lakhs, increase in other liabilities by Rs. 36.50 lakhs, increase in long term liabilities by Rs. 13.96 lakhs and increase in trade payables by Rs. 0.62 lakhs.

Financial year 2017-18

Our net cash generated from operating activities was Rs. 69.95 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 41.78 lakhs for the financial year 2017-18 which was

primarily adjusted by payment of income tax of Rs. 5.91 lakhs, increase in trade receivable by Rs. 160.44 lakhs, increase in trade payables by Rs. 124.58 lakhs, decrease in loans & advances and other assets by Rs. 88.28 lakhs, decrease in other current liabilities by Rs. 27.34 lakhs, increase in short term provisions by Rs. 6.89 lakhs and decrease in inventories by Rs. 2.11 lakhs.

Financial year 2016-17

Our net cash used in operating activities was Rs. 304.39 lakhs for the financial year 2016-17. Our operating profit before working capital changes was 16.44 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 0.70 lakhs, decrease in trade payables by Rs. 281.55 lakhs, increase in loans & advances by Rs. 115.07 lakhs, increase in other current liabilities by Rs. 45.06 lakhs, decrease in inventories by Rs. 35.90 lakhs, decrease in trade receivables by Rs. 15.33 lakhs, increase in long term liabilities by Rs. 8.00 lakhs and increase in short term provisions by Rs. 2.86 lakhs.

Investing Activities

For the period ended June 30, 2019

Net cash used in investing activities was Rs. 143.63 lakhs for the period ended June 30, 2019. This was primarily on account of purchase of investments of Rs. 121.28 lakhs, purchase of fixed assets amounting to Rs. 31.13 lakhs and increase in long term loan & advances by Rs. 4.73 lakhs. It was partially offset by receipt of interest of Rs. 13.49 lakhs.

Financial year 2018-19

Net cash used in investing activities was Rs. 397.99 lakhs for the financial year 2018-19. This was primarily on account of purchase of investments of Rs. 395.57 lakhs, purchase of fixed assets amounting to Rs. 32.76 lakhs and increase in long term loan & advances by Rs. 20.82 lakhs. It was partially offset by receipt of interest of Rs. 49.99 lakhs and Income from Investment of Rs. 1.18 lakhs.

Financial year 2017-18

Net cash used in investing activities was Rs. 173.68 lakhs for the financial year 2017-18. This was primarily on account of purchase of fixed assets amounting to Rs. 161.17 lakhs and increase in long term loan & advances by Rs. 12.98 lakhs which was partially offset by income from investment of Rs. 0.42 lakhs and receipt of interest and dividend of Rs. 0.05 lakhs.

Financial year 2016-17

Net cash used in investing activities was Rs. 312.98 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets amounting to Rs. 316.23 lakhs which was partially offset by decrease in long term loans & advances by Rs. 3.05 lakhs and receipt of interest and dividend of Rs. 0.20 lakh.

Financing Activities

For the period ended June 30, 2019

Net cash generated from financing activities for the period ended June 30, 2019 was Rs. 4,092.75 lakhs. This was primarily on account of proceeds from short term borrowings of Rs. 4,194.71 lakhs and foreign exchange gain of Rs. 8.30 lakhs which was partially adjusted by payment of interest & finance charges by Rs. 105.78 lakhs and repayment of long term borrowings of Rs. 4.47 lakhs.

Financial year 2018-19

Net cash generated from financing activities for the financial year 2018-19 was Rs. 3,103.77 lakhs. This was primarily on account of proceeds from equity share allotment of Rs. 2492.65lakhs, net proceeds from short term borrowings of Rs. 1071.62 lakhs, and foreign exchange gain of Rs. 2.71 lakhs which was partially adjusted by payment of interest & finance charges by Rs. 266.70 lakhs, repayment of long term borrowings of Rs. 195.20 lakhs and payment of dividend & dividend distribution tax of Rs. 1.31 lakhs.

Financial year 2017-18

Net cash generated from financing activities for the financial year 2017-18 was Rs. 102.85 lakhs. This was primarily on account of proceeds from equity share allotment of Rs. 500.00lakhs which was partially adjusted

by repayment of long term borrowings of Rs. 346.56 lakhs, repayment of short term borrowings of Rs. 49.00 lakhs and payment of interest & finance charges by Rs. 1.59 lakhs.

Financial year 2016-17

Net cash generated from financing activities for the financial year 2016-17 was Rs. 619.65 lakhs. This was primarily on account of net proceeds from long term borrowings of Rs. 570.65 lakhs and net proceeds from short term borrowings of Rs. 49.00 lakhs which was partially adjusted by payment of interest & finance charges by Rs. 0.01 lakhs.

Financial Indebtedness

As on June 30, 2019 the total outstanding borrowings of our Company was Rs. 5,306.80 lakhs which included long-term borrowings of Rs. 24.43 lakhs, short term borrowings of Rs. 5,266.33 lakhs and current maturities of long term borrowings of Rs. 16.04 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 213 of this Prospectus.

(Rs. In lakhs)

| Particulars | As at June 30, 2019 |
|---|------------------------|
| Long Term Borrowings (A) | |
| <i>Secured Loans</i> | |
| - Vehicle loans from Banks | 24.43 |
| Sub Total (A) | 24.43 |
| Short Term Borrowings (B) | |
| <i>Secured Loans</i> | |
| - Working capital loan – CC and EPC | 1,805.18 |
| -Working capital loan – Pledge & Commodity | 2623.82 |
| | |
| <i>Unsecured Loans</i> | |
| -From directors, members and related parties | 676.54 |
| -Inter corporate deposits | 160.79 |
| Sub Total (B) | 5,266.33 |
| Current Maturities of Long Term Borrowings (C) | 16.04 |
| Total (A)+(B)+(C) | 5,306.80 |
| | |

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration, salary, commission, interest paid, loan taken, reimbursement expenses and Issue of Equity Shares, foreign travel expenses, interest on borrowings etc. For further details of such related parties under AS-18, refer chapter titled “*Financial Information*” beginning on page 193 of this Prospectus.

Contingent Liabilities

The following table sets forth our contingent liabilities as on June 30, 2019 and March 31, 2019 as per restated standalone financial statements:

(Rs. in lakhs)

| Particulars | As on June 30, 2019 | As on March 31, 2019 |
|---|------------------------|-------------------------|
| <i>Claims against the company not acknowledged as debts in respect of :</i> | | |
| - Bank Guarantees | 791.39 | 2756.90 |
| Total | 791.39 | 2756.90 |

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled "*Financial Statements as Restated*" beginning on page 193 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled "*Financial Statements as Restated*" beginning on page 193 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or Infrequent Events or Transactions

As on date there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual item of income, change of accounting policy and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "Risk Factors" beginning on page 35 of this Prospectus.

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 described in the section titled "Risk Factors" beginning on page 35 of this Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled "Risk Factors" beginning on page 35 of this Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part "Financial Year 2018-19 compared with financial year 2017-18 and Financial Year 2017-18 Compared With Financial Year 2016-17" above.

Competitive Conditions

We have competition with Indian and international service providers and our results of operations could be affected by competition in the castor and textile industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 35 of this Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under "Significant Factors Affecting Our Results of Operations" and chapter titled "Risk Factors" beginning on page 35 of this Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Significant proportion of our revenues have historically been derived from a limited number of customerRs. The % of Contribution of our Company's customer vis a vis the total finished goods sold and the % of contribution of our Company's supplier vis a vis the purchase of raw material for the year ended March 31, 2019 are as follows:

| Particulars | Suppliers | | Customers | |
|-------------|---------------|----------------|---------------|----------------|
| | June 30, 2019 | March 31, 2019 | June 30, 2019 | March 31, 2019 |
| Top 5 (%) | 94.57 | 95.07 | 68.09 | 71.89 |
| Top 10 (%) | 97.99 | 98.15 | 83.36 | 86.49 |

Seasonality of Business

The nature of our business is seasonal. For further details please refer chapter titled "Risk Factors" beginning on Page 35 of this Prospectus.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

Pursuant to a special resolution of our Shareholders passed at the Extra-Ordinary General meeting held on September 23, 2019, our Board has been authorized to borrow monies, which, together with the monies already borrowed, exceeds the aggregate of the paid-up capital and free reserves apart from temporary loans borrowed in the ordinary course of business, from such person or persons on such terms and conditions as to the repayment, interest and otherwise as they may think fit and proper, provided that the aggregate amount so borrowed shall not, at any time, exceed 1,00,000.00 lakhs.

Set forth is a brief summary of our Company's secured and unsecured borrowings as on June 30, 2019 together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Loan of Rs. 2,000.00 Lakhs from HDFC Bank Limited as per Sanction letter dated July 11, 2018

(Rs. in Lakhs)

| Nature of Facility | Sanctioned Limits | Rate of Interest/ Commission | Tenor/ Valid upto | Outstanding as June 30, 2019 |
|---|-------------------|---|-------------------|------------------------------|
| Cash Credit | 1,500.00 | MCLR + 1.60% | 12 months | 1805.18 |
| Export Packing Credit/Post Shipment Credit facility (Sub limit of CC) | (1,500.00) | MCLR + 1.60% | 12 months | |
| Post Shipment Credit (FBD/ FBP/ EBR / FBD backed by LC) | (1,500.00) | MCLR + 1.60% If availed in foreign currency: LIBOR + 250bps | 12 months | |
| Letter of Credit- (Sub limit of CC) | (1,500.00) | Commission of 1.50% Per Annum | 12 months | |
| Bank Guarantee (Sub Limit of CC) | (1,500.00) | Commission of 1.50% Per Annum, | 12 months | |
| PSR | 500.00 | As per product note | 12 months | |
| DRUL (Sublimit of PSR) | (500.00) | MCLR + 1.60% | 12 months | |
| Total | 2,000.00 | | | |

SECURITY DETAILS:

| | | | |
|--|-----------------------------|-------------------------|--------------|
| Primary Security | | | |
| Hypothecation of stock & book debts on entire exposure | | | |
| Collateral Security | | | |
| Equitable mortgage of properties as mentioned below properties on entire exposure: | | | |
| Sr. No | Property Description | Type of Property | Owner |

| | | | | |
|----|---|-------------|---------------------------------|----------|
| 1. | Plot NO. 31, The Samast Brahmakshatriya Co. Operative Housing Society Ltd, Opp. Chandranaga Bus Stop, BRTS Road, Ahmedabad. | Residential | M/S Global Enterprise Pvt. Ltd. | Mangalam |
| 2. | Bungalow On Plot N0.19/B, Kalyan Society, near Mahatma Gandhi International School, Nagri Hospital Road, On land bearing Hissa No. 5+6 0 Final Plot No. 464 of TPS No. 3, Moje Changishpur Dist. Ahmedabad, Housing Society Ltd, Opp. Chandranagar Bus Stop, BRTS Road, Ahmedabad | Residential | Mr. Mangal | Chanakya |
| 3. | Office No. 201(Entire Second Floor), Setu Complex, .P. Nagar Road, Near Girish Cold Drink Cross, Ahmedabad | Commercial | M/S Global Enterprise Pvt. Ltd. | Mangalam |

Specific Covenants

1. No dividend to be declared/ no withdrawal in form of salary/remuneration/incentive/ commission by the promoters/ directors in case of over dues with bank.
2. Unsecured Loans will be converted into Equity as and when required to maintain a positive tangible net worth.
3. Borrower shall not divert any funds to any purpose and launch any scheme of expansion without prior permission of HDFC Bank.

2. Loan of Rs. 400.00 Lakhs from Axis Bank as per Sanction letter dated July 26, 2018.

| Nature of Facility | Pledge Facility |
|---|---|
| Loan Amount | Rs. 400.00 Lakhs |
| Rate of Interest | MCLR + 3.05% p.a |
| Amount Outstanding as on June 30, 2019 | Rs. 304.06 Lakhs |
| Guarantees | Personal Guarantee 1. Chanakya Mangal 2. Chandragupt Mangal |
| Tenor | 12 Months |
| Security | Pledge of warehouse receipt/ storage receipts with lien noted in favour of bank |

3. Loan of Rs. 1,500.00 Lakhs from HDFC Bank Limited as per Sanction letter dated February 21, 2019

| Nature of Facility | Short Term Loan |
|---|---|
| Loan Amount | Rs. 1,500 Lakhs |
| Rate of Interest | 9.95% (MCLR + 1.15%) |
| Amount Outstanding as on June 30, 2019 | Rs. 997.89 Lakhs |
| Security | Pledge of entire inventory of Commodity as a continuing security |
| Guarantees | Personal Guarantee 1. Chanakya Mangal 2. Chandragupt Mangal 3. Vipin Mangal |

| | |
|--|-----------|
| Tenor | 11 months |
| Specific Covenants: | |
| 1. No dividend to be declared/ no withdrawal in form of salary/remuneration/incentive/ commission by the promoters/ directors in case of over dues with bank. 2. Unsecured Loans will be converted into Equity as and when required to maintain a positive tangible net worth. 3. Borrower shall not divert any funds to any purpose and launch any scheme of expansion without prior permission of HDFC Bank. | |

4. Loan of Rs. 500.00 lakhs from IndusInd Bank as per Sanction letter dated February 27, 2019.

| Nature of Facility | Short Term Loan |
|---|---|
| Loan Amount | Rs. 500.00 Lakhs |
| Rate of Interest | 1 Year MCLR + 0.75% p.a, payable at months rests, including CM Charges. |
| Amount Outstanding as on June 30, 2019 | Rs. 152.57 Lakhs |
| Security | Pledge of Stock as per warehouse receipt from the Borrower |
| Tenor | 12 months |

5. Loan of Rs. 1,000.00 Lakhs from Kotak Mahindra Bank Limited as per Sanction letter dated June 04, 2019

| Nature of Facility | Short Term Loan |
|---|--|
| Loan Amount | Rs. 1,000.00 Lakhs |
| Rate of Interest | K-MCLR 6M rate + 1.00% |
| Amount Outstanding as on June 30, 2019 | Rs. 257.82 Lakhs |
| Security | Lien mark on Demat receipt/Pledge of physical receipt of underlying commodities namely castor seeds. |
| Tenor | 270 days |

6. Auto Loan of Rs. 64.00 lakhs from ICICI Bank as per Sanction letter dated November 29, 2017

| Nature of Facility | Auto Loan |
|---|---------------------|
| Loan Amount | Rs. 64.00 Lakhs |
| Rate of Interest (Floating) | 7.74 % p.a. |
| Amount Outstanding as on June 30, 2019 | Rs. 40.48 Lakhs |
| Tenor | 48 months |
| Instalment | EMI of Rs. 1,54,489 |

7. Loan of Rs. 1,000.00 lakhs from Edelweiss Financial Services as per Sanction letter dated March 29, 2019

| Nature of Facility | Business Loan |
|---|----------------------|
| Loan Amount | Rs. 1,000.00 Lakhs |
| Rate of Interest (Floating) | 12 % p.a. |
| Amount Outstanding as on June 30, 2019 | Rs. 911.47 Lakhs |

| | |
|--------------|-----------|
| Tenor | 30 months |
|--------------|-----------|

UNSECURED BORROWINGS

In addition to the secured borrowings availed by us from banks, we have also availed certain unsecured loans. Set forth below is a brief summary of Unsecured Loans as on June 30, 2019:

(Rs. In lakhs)

| Particulars | Total |
|--|---------------|
| From Directors, Members & Related Parties | |
| Chanakya Mangal | 13.22 |
| Chandragupt Mangal | 63.59 |
| Rashmi Mangal | 53.12 |
| Vipinprakash Mangal | 546.61 |
| Total (A) | 676.54 |
| Inter Corporate Deposits | |
| Hindprakash Tradelink Private Limited | 160.79 |
| Total (B) | 160.79 |
| (A)+(B) | 837.33 |

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters, Directors, Group Company and Subsidiary, (the “**Relevant Parties**”).

For the purpose of (V) above, our Board in its meeting held on September 25, 2019, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

- (a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of the profit after tax of our Company as per the restated consolidated financial statements of our Company for the last full Fiscal, being ₹ 2.17 Lakhs; or
- (b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on September 25, 2019 determined that outstanding dues to creditors in excess of 5% of the Company’s trade payables as per the restated consolidated financials for the period ended March 31, 2019 shall be considered as material dues (“**Material Dues**”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS, SUBSIDIARIES AND GROUP COMPANIES

| Nature of Case | Number of Cases | Outstanding Amount (in lakhs) |
|--|-----------------|----------------------------------|
| <i>Company</i> | | |
| Direct Tax | Nil | Nil |
| Indirect Tax | Nil | Nil |
| <i>Directors</i> | | |
| Direct Tax | Nil | Nil |
| Indirect Tax | Nil | Nil |
| <i>Promoters (Other than Directors)</i> | | |
| Direct Tax | Nil | Nil |
| Indirect Tax | Nil | Nil |
| <i>Subsidiaries*</i> | | |
| Direct Tax | Nil | Nil |
| Indirect Tax | Nil | Nil |
| <i>Group Companies</i> | | |
| Direct Tax | 2 | 75.67 |
| Indirect Tax | 1 | 66.47 |

Note: The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.

**One of the Subsidiary of the Issuer Company is based outside India and cannot be made taxable under Indian Tax Laws. Hence, no tax demand may be ascertained for the said Subsidiary.*

OTHER MATERIAL LITIGATIONS

LITIGATION INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTER:

Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES¹:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

A. LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTERS:

None of our Directors' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

¹ The Regulatory or Statutory Authorities for the purpose of this Chapter include but are not limited to SEBI, RBI etc.

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR PROMOTERS (OTHER THAN DIRECTORS)

A. LITIGATIONS AGAINST OUR PROMOTER/S (OTHER THAN DIRECTORS):

1. CRIMINAL MATTERS:

Nil

2. DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS INCLUDING OUTSTANDING ACTION:

Nil

3. WILFUL DEFAULTERS:

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

4. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

5. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR PROMOTER/S (OTHER THAN DIRECTORS):

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR GROUP COMPANIES

A. LITIGATIONS AGAINST OUR GROUP COMPANIES:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

ZADDOC NUTRITION PRIVATE LIMITED (ZNPL)

A demand of Rs. 40,95,120 Stamp Duty under Article 20(d) of Schedule 1 of Gujarat Stamp Act, 1958 on the instrument has been raised against ZNPL as per the Order sanctioning composite scheme of arrangement of Demerger by Hon. National Company Law Tribunal (NCLT). Out of the aforesaid amount ZNPL has paid Rs. 10,23,780/-. The differential disputed liability of Rs. 30,63,975/- is currently pending.

B. LITIGATIONS FILED BY OUR GROUP COMPANIES:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR SUBSIDIARIES

A. LITIGATIONS AGAINST OUR SUBSIDIARIES:

1. CRIMINAL MATTERS:

Nil

2. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

3. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS BY OUR SUBSIDIARIES:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 195 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO CREDITORS

As of June 30, 2019, we had 73 creditors on a standalone basis. The aggregate amount outstanding to such creditors as on June 30, 2019 was ₹ 216.66 lakhs, on a standalone basis.

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed 5% of total creditors, which is 55.26 % of the total trade payables of our Company as per the Restated Standalone Financial Statements of our Company for the period ended June 30, 2019 included in this Prospectus, shall be considered as ‘material’. Accordingly, in this regard, the creditors to whom an amount exceeding 5% of total creditors was owed as on June 30, 2019, were considered ‘material’ creditors. Based on the above, there are 4 material creditor(s) of our Company as on June 30, 2019, to whom an aggregate amount of ₹ 119.72 Lakhs was outstanding on such date.

Details of outstanding dues owed as at June 30, 2019 to MSMEs and other creditors are set out below.

| Creditors | Number of Cases | Amount due (in Rs. Lakhs) |
|------------------|------------------------|----------------------------------|
| MSMEs | - | - |
| Other Creditors | 73 | 216.66 |

The details pertaining to amounts due towards the material creditors are available on the website of our Company at www.groupmangalam.com

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, www.groupmangalam.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of *manufacturing of Refined Castor Oil First Stage Grade (F.S.G.), Castor De Oiled Cake and High Protein Castor De Oiled Cake for the domestic market as well as for exports to international markets. We have also diversified our business operations into manufacturing of Cotton Bales (Lint Cotton) and Delineate Cotton Seeds.* We require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “*Key Industry Regulations and Policies*” on page 142 of this Prospectus.

The Company has its business located at:

Registered Office: 101 Mangalam Corporate House,19/B Kalyan Society, Near M.G. International School, Mithakhali Ahmedabad 380006, Gujarat

Manufacturing Units:

Unit 1: Survey No. 124 and 122, Harij-Kukrana Road, Harij Patan, Village – Jaska, 384240, Gujarat, India

Unit 2: Survey No. 355/P1 and 355P1/1, Harij-Kukrana Road, Harij, Patan, 384240, Gujarat, India

Unit 3: Survey No. 175/P3/P2 Jagana, Taluka Palanpur, Banaskantha, 385520, Gujarat, India

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on September 18, 2019, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on September 23, 2019 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated November 06, 2019 bearing reference no. NSE/LIST/699.

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated September 27, 2019 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated September 27, 2019 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE0APB01016.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated September 27, 2010 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli, in the name of “HINDPRAKASH COLOURCHEM PRIVATE LIMITED”.
2. Fresh Certificate of Incorporation Consequent upon Change of Name issued on July 31, 2014 by the Assistant Registrar of Companies, Ahmedabad in the name of “MANGALAM GLOBAL ENTERPRISE PRIVATE LIMITED”.
3. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on September 13, 2019 by the Registrar of Companies, Ahmedabad in the name of “ MANGALAM GLOBAL ENTERPRISE LIMITED”.
4. The Corporate Identification Number (CIN) of the Company is U24224GJ2010PTC062434.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

| Sr. No. | Description | Authority | Registration No./ Reference No./ License No. | Date of Issue | Date of Expiry |
|----------------|--|---|---|----------------------|---|
| 1 | Certificate of Importer- Exporter Code (IEC) | Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India | AACCH5026J | October 25, 2018 | In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority. |
| 2 | Registration Certificate of Establishment (under Rule 6 and 8 of Bombay Shops and Establishments Act, 1948) | Deputy Municipal Commissioner, Amdavad Municipal Corporation | PII/LG/2900033/0015187 | July 1, 2015 | NA |
| 3 | Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit | Ministry of Micro, Small and Medium Enterprises, Government of India | GJ01C0134202 | September 27, 2010 | NA |

| Sr. No. | Description | Authority | Registration No./ Reference No./ License No. | Date of Issue | Date of Expiry |
|---------|--|--|--|-------------------|-------------------|
| 4 | Certificate for use of Boiler for Unit 2 | Assistant Director of Boiler, Palanpur, Gujarat Boiler Inspection Department | GT- 7945 | May 22, 2019 | May 21, 2020 |
| 5 | License to import and store petroleum in an installation in Form XV under Petroleum Rules 2002 for Unit 2 | Petroleum and Explosive Safety Organisation, Ministry of Commerce, Government of India | P/HQ/GJ/15/5327 | December 04, 2018 | December 31, 2023 |
| 6 | License to import and store petroleum in an installation in Form XV under Petroleum Rules 2002 for Unit 3 | Petroleum and Explosive Safety Organisation, Ministry of Commerce, Government of India | P/HQ/GJ/15/5078 (P238755) | November 23, 2016 | December 31, 2019 |
| 7 | Solvent License for Unit 3 under Solvent, Raffinate and Slop (Acquisition, Sale, Storage and Prevention of use in Automobile) Order 2000 | District Magistrate, Banaskantha | 2/2017 | August 29, 2018 | December 31, 2019 |

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---------|---|--|--|-------------------------------|-----------|
| 1 | Permanent Account Number (PAN) | Income Tax Department, Government of India | AACCH5026J | September 27, 2010 | Perpetual |
| 2 | Goods and Service Tax Identification Number (GSTIN) | Government of India | 24AACCH5026J1ZS | Date of Issue: April 27, 2019 | NA |

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---------|--|--|--|---|-----------------|
| | | | | Date of Validity: July 1, 2017 Date of Liability: July 1, 2017 | |
| 3 | Certificate of Registration (under Gujarat Value Added Tax Act 2003, | Commissioner of Commercial Tax, Commercial Tax Department, Government of Gujarat | 24073406700 | August 19, 2014 | NA |
| 4 | Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994) | Central Board of Excise and Customs, Ministry of Finance, Department of Revenue | AACCH5026JSD001 | March 27, 2015 | NA |
| 5 | Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957) | Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat. | 24573406700 | August 19, 2014 | Until cancelled |
| 6 | Professional Tax Enrolment Certificate (PTEC) (under Rule 4(4) of Gujarat State Tax on Professions, Trades, Callings, And Employment Act, 1976) | Assistant Manager Profession Tax, Ahmedabad Municipal Corporation, Government of Gujarat | PE/C015134662 | June 25, 2015 | NA |
| 7 | Professional Tax Registration Certificate (PTRC) (under section 5 (1) of Gujarat State | Assistant Manager Profession Tax, Ahmedabad Municipal Corporation, , | PRC015131517 | June 25, 2015 | NA |

| Sr. No. | Authorisation granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|---------|---|-----------------------|--|---------------|----------|
| | Tax on Profession, Trade Calling and Employments Act, 1976) | Government of Gujarat | | | |

LABOUR RELATED APPROVALS/REGISTRATIONS

| Sr. No. | Description | Authority | Registration No./Reference No./License No. | Date of Issue |
|---------|---|--|--|-------------------|
| 1. | Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952) | Employees Provident Fund Organisation, Ministry of Labour, Government of India | GJAHD1822208000 | December 26, 2018 |
| 2. | Registration for Employees State Insurance (under Employees State Insurance Act, 1948) | Employees State Insurance Corporation | 37001133010001099 | December 25, 2018 |

ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---------|--|--|---------------------|---------------------|-------------------|
| 1 | Consent to Operate for Unit 2 issued by State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 (5) of the Hazardous Wastes (Management, handling & Transboundary | Gujarat Pollution Control Board, Gandhinagar | AWH- 85211 | April 09, 2017 | December 31, 2021 |

| Sr. No. | Description | Authority | Registration Number | Date of Certificate | Date of Expiry |
|---------|---|--|---------------------|---------------------|------------------|
| | movement) Rules 2008 | | | | |
| 2 | Consolidated Consent and Authorization for Unit 3 issued by State Pollution Control Board under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 (5) of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008 | Gujarat Pollution Control Board, Gandhinagar | AWH - 76841 | March 01, 2016 | January 28, 2021 |

Company has confirmed that no application has been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. Pursuant to our conversion from a private limited company to a public limited company in the year 2018, our Company has yet make application for change of name for all the above mentioned approvals except PAN is required to be made in the new name of the Company.
2. License to import and store petroleum in an installation under Petroleum Rules 2002 for Unit 2 is in the previous name of the Company and the same is required to be made in the new name of the Company.
3. Unit 2 is leased by our Company from one of its Subsidiaries; certificates for
 - a. use of Boiler for Unit 2 under Indian Boilers Act and
 - b. consent to operate issued by State Pollution Control Board
are in the name of a third party which are currently pending to be transferred in the name of our Subsidiary.

LICENSES NOT TRACEABLE BY THE COMPANY:

1. Tax Deduction Account Number Certificate bearing number AHMH03561F in the name of Mangalam Global Enterprise Private Limited is currently not traceable by the Company.

2. Consent to Establish for a product at a particular production capacity issued by State Pollution Control Board for Unit 2 is currently not traceable by the Company.
3. Consent to Establish for a product at a particular production capacity issued by State Pollution Control Board for Unit 3 is currently not traceable by the Company.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. Company has yet to apply for renewal of license to work a factory under the Factories Act 1948 for all 3 Units.
2. Company has yet to apply for consent to establish for a product at a particular production capacity issued by State Pollution Control Board for Unit 1.
3. Company has yet to apply for consent to operate for a product at a particular production capacity issued by State Pollution Control Board for Unit 1.
4. Company has yet to apply for Certificate of Stability for all 3 Units.
5. Company has yet to apply for Boiler Certificate under Indian Boilers Act for Unit 3.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 18, 2019 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on September 23, 2019 at the Registered Office of our Company.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters and Promoter Group, person in control of our company are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Prospectus.

We confirm that our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent applicable.

Neither our Promoters, nor any of our Directors or persons in control of our Company is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Prospectus.

Further, except as mentioned in the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 217, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market in any manner, including securities market related business and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors are declared as wilful defaulter(s) by the RBI or any other governmental authority.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than Rs. 1,000 lakhs and upto Rs. 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 57 of this Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. We have filed Prospectus with stock exchange. The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Prospectus shall also be furnished to the SEBI in a soft copy.

4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 57 of this Prospectus.
5. The post-issue paid up capital of the Company shall not be more than Rs. 25 Crores. The post issue capital of our Company is Rs. 16.06 Crores.
6. Our company is incorporated under companies act, 1956.
7. The Company has track record of 3 years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding from the date of filing of this Prospectus.
8. Net-worth of the company is positive.
9. The Company has not been referred to Board for Industrial and Financial Reconstruction.
10. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
11. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
12. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
13. The Company has a website: www.groupmangalam.com
14. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.

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 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT / 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE

COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/OFFER DOCUMENT.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Ahmedabad, in terms of Section 26 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the draft offer document/offer document or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.groupmangalam.com would be doing so at his or her own risk.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited, please refer “Annexure A” to this Prospectus and the website of Lead Manager at www.pantomathgroup.com.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under 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 Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a

transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of Draft Prospectus has been submitted to the National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref. NSE/LIST/699 dated November 06, 2019 permission to the Issuer to use the Exchange's name in this Draft Offer Document as the stock exchange 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."

LISTING

Application will be made to the EMERGE Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Prospectus vide its letter no. NSE/LIST/699 dated November 06, 2019.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditors, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue, Sponsor Bank and Refund Banker to the Issue, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Statutory Auditor have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Review Auditor on Statement of Tax Benefits.

- Report of the Peer Review Auditor on Restated Consolidated Financial Statements for the period ended June 30, 2019 and financial year ended March 31, 2019 and Restated Standalone Financial Statements for the for the period ended June 30, 2019 and financial year ended March 31, 2019, 2018 and 2017 of our company.

PREVIOUS RIGHTS AND PUBLIC ISSUES

Except as stated in the chapter titled “*Capital Structure*” beginning on page 68 of this Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES

Neither our Company nor any of our Group Companies/Subsidiaries/ Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Prospectus.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, none of our Subsidiaries or Promoter Companies are listed on any stock exchange, so, data regarding promise versus performance is not applicable.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, UPI Id (if applicable), number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicants shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee *vide* resolution passed at the Board Meeting held on September 23, 2019. For further details, please refer to the chapter titled “*Our Management*” beginning on page 160 of this Prospectus.

Our Company has appointed Rutu Shah as Company Secretary and Compliance Officer and she may be contacted at the following address:

Rutu Shah

Mangalam Global Enterprise Limited

101, Mangalam Corporate House,

19/B Kalyan Society near M.G. International School,

Mithakhali, Ahmedabad -380006, Gujarat, India

Tel: 079 26442555

Email: cs@groupmangalam.com

Website: www.groupmangalam.com

Corporate Identification Number: U24224GJ2010PLC062434

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

SECTION VIII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Prospectus, the Prospectus, the abridged prospectus, Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application since this IPO will not be under Phase I.

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 our Memorandum and Articles of Association, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA read with SCRR and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 266 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, Articles of Association, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 192 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 51/- per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 93 of this Prospectus. At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply

with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to 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 issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 266 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated September 27, 2019 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated September 27, 2019 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 2,000 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs or the Sponsor Bank as the case may be, shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other

jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTORS

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, the sole applicant, or the 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 applicants, death of all the applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. If the Issue is withdrawn after Designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Application/Issue Closing Date and thereafter determines that it will proceed with an issue/Offer for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

ISSUE PROGRAMME

| Event | Indicative Date |
|---|--------------------------------|
| Issue Opening Date | November 15, 2019 |
| Issue Closing Date | November 20, 2019 |
| Finalization of Basis of Allotment with the Designated Stock Exchange | November 25, 2019 |
| Unblocking of funds from ASBA Accounts | On or before November 26, 2019 |
| Credit of Equity Shares to demat accounts of Allottees | On or before November 27, 2019 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before November 28, 2019 |

The above timetable is indicative and does not constitute any obligation on our Company, and the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m. (IST)** or such extended time as permitted by the Stock Exchange, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times.

Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Any time mentioned in this Prospectus is Indian Standard Time.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the application issue period disclosed in the prospectus, for a minimum period of three working days, subject to the Application/ Offer Period not exceeding 10 working days.

In case of any discrepancy in the data entered in the electronic System vis-à-vis the data contained in the Application Form, for a particular Applicant, the Registrar to the Issue shall ask for rectified data.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and

severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 57 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 2,000 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 NSE EMERGE.

AS PER THE EXTANT POLICY 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, FIIs 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.

ALLOTMENT OF SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S, QFIs, VSFs OR AIFs REGISTERED WITH SEBI,

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for (i) lock-in of the pre-Issue Equity Shares, (ii) Promoter's minimum contribution and (iii) as provided in "Main Provisions of our Articles of Association" in the Issue as detailed in the chapter "Capital Structure" beginning on page 68 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Association. For details, please see "Main Provisions of our Articles of Association" on page 266 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time, whereby, our post-Issue face value capital exceeds ten crore rupees but does not exceed twenty five crores. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 234 and 242 of this Prospectus.

Following is the issue structure:

Initial Public Offer of 42,30,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 51/- per equity share (including a premium of Rs. 41/- per equity share) aggregating to Rs. 2,157.30 Lakhs. The Issue comprises a Net Issue to the public of 40,18,000 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute 26.34% and 25.02% of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of 2,12,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion")

| Particulars | Market Maker Reservation Portion | Other than Retail Individual Applicants | Retail Individual Applicants |
|---|---|---|---|
| Number of Equity Shares | 2,12,000 Equity Shares | 20,08,000 Equity Shares | 20,10,000 Equity Shares |
| Percentage of Issue Size available for allocation | 5.01% of Issue Size | 49.98% of Net Issue Size | 50.02% of Net Issue Size |
| Basis of Allotment / Allocation if respective category is oversubscribed | Firm allotment | Proportionate | Proportionate |
| Mode of Application | Through ASBA Process only | Through the ASBA Process only | Through ASBA Process only or by using UPI ID for payment |
| Minimum Application Size | 2,12,000 Equity Shares | Such number of Equity shares in multiple of 2,000 Equity shares that Application size exceeds Rs. 2,00,000 | 2,000 Equity Shares |
| Maximum Application Size | 2,12,000 Equity Shares | Such number of Equity Shares in multiples of 2,000 Equity Shares not exceeding the size of the Issue, subject to limits as applicable to the Applicants | 2,000 Equity Shares so that the Application Amount does not exceed Rs. 2,00,000 |
| Mode of Allotment | Compulsorily in dematerialized mode. | Compulsorily in dematerialized mode. | Compulsorily in dematerialized mode. |
| Trading Lot | 2,000 Equity Shares, however the Market | 2,000 Equity Shares and in multiples thereof | 2,000 Equity Shares and in multiples thereof |

| Particulars | Market Maker Reservation Portion | Other than Retail Individual Applicants | Retail Individual Applicants |
|-------------------------|--|--|-------------------------------------|
| | Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | | |
| Terms of Payment | Full Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Applicant that is specified in the ASBA Form at the time of submission of the ASBA Form, or in the UPI-linked bank account in the case of Retail Individual Applicant using the UPI Mechanism. | | |

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 (a) or (b) above may be allocated to the applicants in the other category.

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, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2019 (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The General Information Document shall be made available on the website of the Stock Exchange, the Company and the Lead Manager before opening of the Issue Period. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum application size; (iii) price discovery and allocation; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Issue; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, with respect to by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this Section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applicants are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued 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.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

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 dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and UPI ID (for RII Applicant Application using the UPI mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

PHASED IMPLEMENTATION OF UPI FOR APPLICATIONS BY RETAIL INDIVIDUAL APPLICANTS AS PER THE UPI CIRCULAR

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (collectively the "UPI Circular") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, 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 Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- **Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- **Phase II:** This phase has become applicable from July 1, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, physical submission of the Application Form by a Retail Individual Applicant through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will compulsorily be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- **Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a 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 Applicants into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Lead Manager.

APPLICATION FORM

Retail Individual Applicants can submit their Applications by submitting Application Forms, in physical form or in electronic mode, to the SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries at Application Locations, and Registered Office & Corporate Office of our Company. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange(s), namely, NSE (www.nseindia.com) at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form 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. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

ASBA Applicant shall ensure that the Application are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|---|----------------------------|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue |

Applicants shall only use the specified Application Form for the purpose of making an application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant Application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants are required to submit their applications only through any of the following Designated Intermediary:

- i. an SCSB, with whom the bank account to be blocked, is maintained
- ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iii. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- iv. 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)

Retails investors submitting application with any of the entities at (ii) to (iv) above (hereinafter referred as 'Designated Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of an 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.

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Designated Intermediary, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus and the abridged prospectus may be obtained from the Registered Office of our Company, and offices of 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 SCSBs (via Internet Banking) and Stock Exchange(s) at least one day prior to the Application /Issue Opening Date.

WHO CAN APPLY?

In addition to the category of Applicants, set forth in the GID, 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;
- Scientific research organizations authorized in India to invest in the Equity Shares; and
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non-Institutional Investors (NIIs) category;

As per the existing RBI regulations, OCBs cannot participate in this Issue.

OPTION TO SUBSCRIBE IN THE ISSUE

- (a) As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialized form only.
- (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 specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF LEAD MANAGER

The Lead Manager shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S / FPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted nonconvertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - (a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - (b) Nothing contained in clause (a) shall apply to:
 - i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - iv. Any other transaction specified by the Board.
 - (c) No transaction on the stock exchange shall be carried forward;
 - (d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

- ii. sale of securities in response to a letter of Issue sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii. sale of securities in response to an Issue made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
- iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
- v. divestment of securities in response to an Issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
- vi. Any application for, or acquisition of, securities in response to an Issue for disinvestment of shares made by the Central Government or any State Government;
- vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- viii. Any other transaction specified by the Board.

(e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
8. No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

(a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

(b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
12. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
13. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS 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;

APPLICATIONS BY FPI INCLUDING FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% 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 followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI.

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. 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.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

- (a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to 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 Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserve the right to reject any Application,

without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the 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.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company*: The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. *The entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the 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.

With respect to applications by VCFs, FVCIs, and FPIs, 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 their SEBI registration certificate 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 reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI

registration certificate 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 case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority 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 case of Applications made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate 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 case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the 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.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the 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 above information is given for the benefit of the Applicants. Our Company, Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

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 by a banking company without assigning any reason.

Application Form, failing which our Company reserve the right to reject any Application by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

APPLICATIONS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making an application in public issues and clear demarcated funds should be available in such account for such applications.

INFORMATION FOR THE APPLICANTS

1. Our Company will register the Prospectus with the RoC at least three working days before the Issue Opening Date.
2. Our Company shall, after registering the Prospectus with the RoC, make a pre- Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office or Corporate Office of our Company.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Designated Intermediary or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. The Application Form can be submitted either in physical or electronic mode, to the Designated Intermediary. Further Designated Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of an application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications only through any of the following Designated Intermediary:
 - i. an SCSB, with whom the bank account to be blocked, is maintained
 - ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

- iii. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- iv. 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 Issue Period shall be for a minimum of three Working Days and shall not exceed ten 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 Working Days.

The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.

The Applicant cannot apply on another Application Form after one Application Form has been submitted to Designated Intermediary. Submission of a second Application Form to either the same or to another Designated Intermediary 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 of time prior to the allocation or Allotment of Equity Shares in this Issue.

- 2. The intermediaries shall, at the time of receipt of an 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.
- 3. The upload of the details in the electronic system of stock exchange and post that blocking of funds will be done by as given below

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|---|---|
| For applications submitted by investors to SCSB: | After accepting the form, SCSB shall capture and upload the relevant details in the electronic system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified. |
| For applications submitted by investors other than retail individual investors to intermediaries other than SCSBs without use of UPI for payment | After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue. |
| For applications submitted by retail individual investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s). 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. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account. |

- 4. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
- 5. The Applicant cannot make an application through another Application Form after Applications through one Application Form have been submitted to a LM or the SCSBs. Submission of a second Application Form to either the same or to another LM or SCSB will be treated as multiple Application and is liable to be rejected either before entering the Application into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Applicant can revise the Application through the Revision Form.

6. The Lead Manager/the SCSBs will enter each Application option into the electronic bidding system as a separate Application and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three TRSs for each Application Form.

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. 51 /- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The 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, the 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 the 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 finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

NUMBER OF APPLICATIONS PER BANK ACCOUNT

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

ELECTRONIC REGISTRATION OF APPLICATIONS

- (a) The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange.
- (b) The Designated Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
- (c) The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission 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) In case the 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 (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.

- (d) Neither the Lead Manager nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Designated Intermediary, (ii) the applications uploaded by any Designated Intermediary or (iii) the applications accepted but not uploaded by the Designated Intermediary.
- (e) The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary 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 Intermediary 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.
- (f) With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediary 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;
 - UPI ID (in case of Retail Institutional Investor)
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Bank account number.
- (g) 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 Application Form number which shall be system generated.
- (h) The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- (i) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- (j) In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediary shall have no right to reject applications, except on technical grounds.
- (k) 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 Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents

of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

- (l) The Designated Intermediary will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, UPI ID, 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 four parameters, namely DP ID, UPI ID, Client ID and PAN, then such applications are liable to be rejected.
- (m) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 2,12,000 Equity Shares shall be reserved for Market Maker and 20,10,000 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 a 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 OFIs, 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 the 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.

WITHDRAWAL OF APPLICATIONS

- (a) RIIs can withdraw their Applications until Application/ Issue Closing Date. In case a RII wishes to withdraw the Application during the Application/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.
- (b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Applications at any stage.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated October 17, 2019.
- b) A copy of the Prospectus will be registered with the RoC in terms of Section 26 of the Companies Act.

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 daily Newspaper; (ii) Hindi National daily Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-Issue advertisement, we shall state the Application Opening Date and the Application Closing Date and the price along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;

- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Application Centres;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 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 the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID (as applicable in Retail Institutional Investors) in the Application Form;
- Ensure that you have requested for and receive an acknowledgement;
- All applicants should submit their applications through the ASBA process only.
- 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 at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit an Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

- 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 Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not submit more than one Application Forms per ASBA Account.
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar 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 Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

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 allotment, credit of allotted shares in the respective beneficiary accounts, etc.

INSTRUCTION FOR COMPLETING THE APPLICATION FORM

In addition to the instructions for completing the Application Form provided in the General Information Document, Applicants are requested to note the additional instructions provided below:

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. ASBA Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the ASBA Form.
3. Applications on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FPIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Applications by Eligible NRIs for an Application Amount of up to Rs. 200,000 would be considered under the Retail Portion for the purposes of allocation and Applications for an Application Amount of more than Rs. 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN, 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 from 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.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at EMERGE 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 4 (four) and 6 (Six) days respectively of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

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.”

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated September 27, 2019 among NSDL, the Company and the Registrar to the Issue; and
- (b) Agreement dated September 27, 2019 among CDSL, the Company and the Registrar to the Issue;
- (c) The Company's shares bear ISIN No: INE0APB01016

NAMES OF ENTITIES RESPONSIBLE FOR FINALIZING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

METHOD OF ALLOTMENT AS PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one percent of the Net Issue may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants, Eligible Employees and Market Maker shall be on a proportionate basis within the respective investor categories and the number

of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account which will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

BASIS OF ALLOTMENT

a. For Retail Individual Applicants

Applications received from the Retail Individual Applicants at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Applicants will be made at the Issue Price.

The Net Issue size less Allotment to Non-Institutional Investors shall be available for Allotment to Retail Individual Applicants, who have Application in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 20,10,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Applicants to the extent of their valid Applications.

If the aggregate demand in this category is greater than 20,10,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 20,10,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Applicants

Applications received from Non-Institutional Applicants at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Applicants will be made at the Issue Price.

The Net Issue size less Allotment to Retail Investors shall be available for Allotment to Non- Institutional Applicants who have Application in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 20,08,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Applicants to the extent of their demand.

In case the aggregate demand in this category is greater than 20,08,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 20,08,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Registrar to the Issue shall instruct the SCSBs or Sponsor Bank to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange. Where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That 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 refunded on account of non-listing, under-subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Application/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within days of the Application /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;
9. If our Company withdraws the Issue after the Application /Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be transferred to a separate Bank Account other than the bank

account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;

2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received.
6. The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

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 for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“**DPIIT**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. DPIIT has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DPIIT 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 DPIIT issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, 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 Directions. 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.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present, our Company is in the business of manufacturing and trading of castor de-oiled cake, castor oil, cotton seeds, castor derivatives, colour dyes etc, and clearing and forwarding services of the same. These activities are covered in section 5.2.5 under the head “Manufacturing” and section 5.2.15 under the head “trading” of the FDI Policy 2017 which allows 100% foreign direct investment through automatic route subject to the provisions of FDI Policy

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 by the company.

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 DPIIT/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 to 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, conditionalities (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, 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 the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to 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 the 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 with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in ‘manufacturing’ sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

i. 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 percent and 24 percent 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.

ii. 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 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent 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 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. 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 COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF

MANGALAM GLOBAL ENTERPRISE LIMITED

Interpretation

1. In these Articles—
 - (a) “Act” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and if the context so requires may also include the Companies Act, 1956.
 - (b) “Articles” means these articles of association of the Company or as altered from time to time.
 - (c) “Board of Directors” or “Board” means collective body of Directors of the Company,
 - (d) “Beneficial Owner” shall mean the beneficial owners defined in clause (a) of sub-section (I) of section 2 of Depositories Act, 1996.
 - (e) “Company” means Mangalam Global Enterprise Limited or any other name as reflected on the latest Certificate of Incorporation issued by the Registrar of Companies.
 - (f) “Depositories Act” means the Depositories Act, 1996 and includes any statutory modification(s) or re-enactment thereof for the time being in force.
 - (g) “Depository” means a Depository as defined under clause (e) of sub section (I) of section 2 of the Depositories Act 1996.
 - (h) “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
 - (i) “Seal” means the common seal to be kept by the Company, if so decided by the Board of Directors.
 - (j) “Secretary” means any person appointed to perform the duties which may be performed by a secretary under the Act and any other purely ministerial or administrative duties and includes any person appointed to perform the duties of a secretary temporarily.
 - (k) “The Office” means the Registered Office for the time being of the Company.
2. Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.
3. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act and Rules made thereunder and any statutory modification thereof in force at the date at which these regulations become binding on the company.

Table ‘F’ not to apply

4. The regulations contained in the Table marked ‘F’ in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

General Power

5. Wherever in the Companies Act, 2013 or Rules made thereunder, it has been provided that the Company shall have any right, privilege or authority or that Company cannot carry out any transaction unless the Company is so authorised by its Articles, then in that case, Articles hereby authorise and empower the Company to have such rights, privileges or Authority and to carry out such transaction as have been permitted by the Companies Act, 2013.

SHARE CAPITAL AND VARIATION OF RIGHTS

Amount of Capital

6. The Authorised Share Capital of the Company shall be as per Paragraph V of the Memorandum of Association of the Company, with such rights, privileges and conditions attaching thereto as may be determined by the Company, with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively, subject to the provisions of the Act, such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

Shares under control of Board

7. 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.

Directors may allot shares for consideration other than cash

8. The Board may issue and allot shares in the Capital of the company as payment or part payment for any property sold or transferred, goods or machinery supplied or for service rendered to the Company in or about the conduct of the company's business and shares to be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares.

Kinds of Share Capital

9. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
 - (a) Equity Share Capital:
 - (i) with voting rights; and / or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
 - (b) Preference Share Capital

Issue of Certificate

10. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

Certificate to bear seal

- (ii) Every certificate shall be under the seal, if any, and shall specify the shares to which it relates and the amount paid-up thereon.

One certificate for shares held jointly

- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

Issue of new certificate in place of one defaced, lost or destroyed

11. (i) 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.

Provisions as to issue of certificates to apply *mutatis mutandis* to debentures, etc.

(ii) Unless otherwise repugnant to the context, the provisions of this Articles of Association pertaining to shares shall *mutatis mutandis* apply to debentures and other securities of the company.

Trust not to be recognized

12. Except as required by law, no person shall be recognized 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 recognize (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.

Option to receive share certificate or hold shares with depository

13. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.

Power to pay Commission in connection with securities issued

14. (i) The company may exercise the powers of paying commissions conferred by the Act, 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 there under.

Rate of commission in accordance with Rules

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under the relevant provisions of the Act.

Mode of payment of commission

(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.

Brokerage

(iv) The Company may on any issue of securities pay such brokerage as may be reasonable and lawful.

Variation of Members' rights

15. (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 the Act, and whether or not the company is being wound up, be varied after complying with the requisite procedures.

Provisions as to general meetings to apply *mutatis mutandis* to each meeting

(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.

Issue of further shares not to affect rights of existing members

16. 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 *pari passu* therewith.

Power to Issue Redeemable Preference Shares

17. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.

Further issue of Share Capital

18. (i) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –
- (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
 - (b) employees under any scheme of employees' stock option; or
 - (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

Mode of further issue of Shares

- (ii) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

Issue of warrants or other instruments

19. Subject to the applicable statutory provisions, rules, regulations and guidelines and necessary approvals, the Company shall have power to issue warrant or other instrument, whether independent or attached with some other instrument or detachable and whether bearing any face value or not and with or without any right or entitlement or option to subscribe to or exchange with the equity shares or any kind of securities or not. The terms and conditions of such warrant or instrument may be decided by either under any applicable statutory provisions, rules, regulations, guidelines or by a special resolution of the members of the Company passed at a general meeting authorizing issue of such warrant or instrument or by the Board of Directors of the Company.

Beneficial owner of shares will be absolute owner

20. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares in the record of Depository as the absolute owner thereof as regards receipt of dividends or bonus or service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by a court of competent jurisdiction or as by law required) be bound to recognise any benami, trust, or equity or equitable, contingent or other claim to or interest in such share(s) on the part of any other person(s), whether or not it shall have express or implied notice thereof.

Dematerialization of Shares

21. Notwithstanding anything contained in these Articles, the Company shall be entitled in accordance with the provisions of the Depositories Act, 1996, to dematerialise any or all of its shares, debentures and other marketable securities and to offer the same for subscription in dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members with the details of Members holding shares both in material and dematerialized form in any media as permitted by law including any form of electronic media, either In respect of the existing shares or any future issue.

LIEN

Company's lien on shares

22. (i) The company shall have a first and paramount lien—
- (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; and

(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:

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.

Lien to extend to dividends, etc.

(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.

Waiver of Lien in case of registration

(iii) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

As to enforcing lien by sale

23. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Validity of Sale

24. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

Purchaser to be registered holder

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

Validity of Company's receipt

(iii) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

Purchaser not affected

(iv) 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.

Application of proceeds of sale

25. (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.

Payment of residual money

(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.

Outsider's lien not to affect Company's lien

26. (i) In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to or

interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

Provisions as to lien apply *mutatis mutandis* to debentures, etc.

(ii) The provisions of this Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

CALLS ON SHARES

Board may make calls

27. (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.

Notice of call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

Revocation or postponement of call

(iii) A call may be revoked or postponed at the discretion of the Board.

Board may extend time for payment

(iv) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

Call to take effect from date of resolution

28. 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.

Liability of joint holders of shares

29. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

When interest on call or installment payable

30. (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 such rate as may be fixed by the Board.

Board may waive interest

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums deemed to be calls

31. (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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue of such sum becomes payable.

Effect of non-payment of sums

(ii) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

Payment in anticipation of calls may carry interest

32. The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be decided by the Board and as may be agreed upon between the Board and the member paying the sum in advance. Provided that such calls in advance shall not confer any additional dividend or additional voting right upon such member.

Installments on shares to be duly paid

33. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

Calls on shares of same class to be on uniform basis

34. All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid- up shall not be deemed to fall under the same class.

Partial payment not to preclude forfeiture

35. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

Evidence in action for call

36. On the trial or hearing of any action for the recovery of any amount due for any call it shall be sufficient to prove that the name of the member sued is entered in the Register as the holder or one of the holders of the shares in respect of which such debt accrued; that the resolution making a call is duly recorded in the minute book; and that notice of such call was duly given to the member sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the directors who made such call nor any other matter whatsoever but the proof of the matter as aforesaid shall be conclusive evidence of the debt.

Provisions as to calls to apply *mutatis mutandis* to debentures, etc.

37. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSFER OF SHARES

Instrument of transfer to be executed by transferor and transferee

38. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Board may refuse to register transfer

39. The Board may, subject to the right of appeal conferred by the Act decline to register—
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.
 - (c) any transfer of shares on sufficient cause.

Board may decline to recognize instrument of transfer

40. In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless—
- (a) the instrument of transfer is in the form as prescribed in rules made under the Act;
 - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - (c) the instrument of transfer is in respect of only one class of shares.

Transfer of Share Suspended

41. On giving not less than seven days' previous notice in accordance with the Act and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Refusal Odd Lots

42. Without in any way derogating from the powers conferred on the Board by Article 39 and 40, the Board shall be entitled to refuse an application for transfer of shares less than the market trading unit of shares of the Company subject, however, to the following exceptions.
- i) transfer of shares made in pursuance of any provision of law or statutory regulation or order, or an order of a competent Court of Law, or
 - ii) transfer of the entire holding of shares by a shareholder holding less than the market trading unit of the Company's Shares by a single transfer to a single or joint names, or
 - iii) transfer of share
 - a) by a transferor whose shareholding after the transfer will result in his holding the market trading unit of the Company's shares or a multiple of such unit or
 - b) to one or more transferees, whose shareholding after the transfer (in case of transfer from more than one transferor all transfers being presented to the Company for approval simultaneously) together with the shares already held by him will result in a holding of the market trading unit of the Company's shares or a multiple of such unit, or
 - iv) transmission of shares under a will, and
 - v) transfer of shares of less than the market trading unit held by a shareholder, where the Board/Committee of Directors may at its discretion and in exceptional circumstances or in cases of genuine hardship or for any other just and sufficient cause (the decision of the Board/ Committee being final and conclusive) accept such application.

Power to refuse sub-division and/or consolidation

43. Notwithstanding anything contained hereinabove, the Directors/Committee of Transfer of the Company, may in their absolute discretion refuse sub-division and/or consolidation of Share Certificates or Debenture Certificates into denominations of less or more than marketable lots except where such sub-division and/or consolidation is required to be made to comply with a statutory provision or an order of a competent court of law.

The Company not liable for disregard of notice prohibiting registration of transfer

44. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the company may have notice of such equitable right, title or interest or notice prohibiting registration of such transfer and, may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it or any equitable right,

title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless, be at liberty to regard and attend to any such notice and give effect thereto if the Board of Directors shall so think fit.

Custody of Transfer documents

45. The instrument of transfer shall after, registration be retained by the Company and shall remain in its custody. All the instruments of transfer which the directors may decline to register shall on demand be returned to the person depositing the same. The directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

46. Provisions to apply to debentures

The provisions of these Articles for transfer and transmission of shares, shall mutatis mutandis apply to the transfer or transmission of any debentures of the Company.

TRANSMISSION OF SHARES

Title to shares on death of a member

47. (i) The executors or administrators of a deceased member or a holder of a Succession Certificate or other legal representation in respect of shares of a deceased member, where he was a sole or only surviving holder, shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors, administrators or holders unless such executors or administrators shall have first obtained Probate or Letter of Administration or such holder is the holder of a Succession Certificate or other legal representation, as the case may be, from a duly constituted Court in India, provided that In any case where the directors in their absolute discretion think fit, the directors may dispense with production of Probate or Letters of Administration or Succession Certificate or other legal representation, and, under the next Article, register the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

Estate of deceased member liable

(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.

Transmission Clause

48. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made

Board's right unaffected

(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.

Indemnity to the Company

(iii) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

Board may require evidence of transmission

49. Every transmission of a share shall be verified in such manner as the directors may require and the Company may refuse to register any transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the directors to accept any indemnity.

Right to election of holder of share

50. (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.

Manner of testifying election

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

Limitations applicable to notice

(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.

Claimant to be entitled to same advantage

51. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Provisions as to transmission to apply *mutatis mutandis* to debentures, etc.

52. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.

FORFEITURE OF SHARES

If call or installment not paid notice must be given

53. 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 and all expenses that may have been incurred by the Company by reason of non-payment.

Form of Notice

54. The notice aforesaid shall—
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

In default of payment shares to be forfeited

55. 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.

Receipt of part amount or grant of indulgence not to affect forfeiture

56. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a

forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture in register of members

57. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

Extinction of Interest and Claim against the Company upon forfeiture

58. 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.

Forfeited shares may be sold, etc.

59. (i) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.

Cancellation of forfeiture

- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Cessation of membership and other effects of forfeiture

60. (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.

Member still liable to pay money owing at time of forfeiture and interest

- (ii) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

Cesser of liability

- (iii) 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.

Certificate of forfeiture

61. (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;

Title of purchaser and transferee of forfeited shares

- (ii)The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

Transferee to be registered as holder

- (iii) The transferee shall thereupon be registered as the holder of the share; and

Transferee not affected

- (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.

Validity of sales

62. 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.

Cancellation of share certificate in respect of forfeited shares

63. 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.

Surrender of shares

64. The Board may, subject to the provisions 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.

Sums deemed to be calls

65. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc.

66. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company

ALTERATION OF CAPITAL

Power to alter share capital

67. Subject to the provisions of the Act, the company may, by ordinary resolution,—
- (a) increase its authorized share capital by such amount as it things expedient;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Shares may be converted into stock

68. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles 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.

Right of Stockholders

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of these 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.

Reduction of capital

69. The company may, by resolution prescribed in the Act, reduce, in any manner, with and subject to, any incident authorized and consent required by law—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any securities premium account.
- (d) any other reserve in the nature of share capital

JOINT HOLDERS

Joint Holders

70. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:

Provided that in respect of shares already held in joint names in the past, the words “not more than four” shall be substituted in place of “not more than three” hereinabove.

Liability of Joint-holders

(a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.

Death of one or more joint- holders

(b) On the death of any one or more of 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.

Receipt of one sufficient

(c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.

Delivery of certificate and giving of notice to first named holder

(d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.

Vote of joint-holders

(e)(i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on 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 any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.

Executors or administrators as joint holders

(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 joint-holders.

Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.

(f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

CAPITALIZATION OF PROFITS

Capitalisation

71. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (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
 - (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.

Sum how applied

- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (iii) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (iv) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Powers of the Board for capitalisation

72. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.

Board's power to issue fractional certificate/coupon etc.

- (ii) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their

respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;

Agreement binding on members

(iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES AND OTHER SPECIFIED SECURITIES

73. Notwithstanding anything contained in these articles but subject to all applicable provisions of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

Extraordinary general meeting

74. All general meetings other than annual general meeting shall be called extraordinary general meeting.

Powers of Board to call extraordinary general meeting

75. The Board may, whenever it thinks fit, call an extraordinary general meeting.

PROCEEDINGS AT GENERAL MEETINGS

Presence of Quorum

76. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act

Chairperson of the meetings

77. (i) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

Business confined to election of Chairperson whilst chair vacant

(ii) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.

Directors to elect a Chairperson

78. 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.

Members to elect a Chairperson

79. 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.

Casting vote of Chairperson at general meeting

80. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.

Minutes of proceedings of meetings and resolutions passed by Postal Ballot

81. (i) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion

of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.

Discretion of Chairperson in relation to Minutes

(ii) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

Minutes to be evidence

(iii) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

Inspection of Minute-books of general meeting

82. (i) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:
- (a) be kept at the registered office of the Company; and
 - (b) be open to inspection of any member without charge, during 3.00 p.m. to 5.00 p.m. on all working days.

Members may obtain copy of minutes

(ii) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (i) above.

Powers to arrange security at meetings

83. The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

ADJOURNMENT OF MEETING

Chairperson may adjourn the meeting

84. (i) The Chairperson may, suo moto, adjourn the meeting from time to time and from place to place.

Business at adjourned meeting

(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.

Notice of adjourned meeting

(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.

Notice of adjourned meeting not required

(iv) Save as aforesaid, and as provided in 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.

VOTING RIGHTS

Entitlement to vote on show of hands and on poll

85. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) 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.

Voting through electronic means

86. A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

Vote of joint-holders

87. (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.

Seniority of names

- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

How members *non compos mentis* and minor may vote

88. 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.

Votes in respect of shares of deceased or insolvent members etc.

89. 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 duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Business may proceed pending poll

90. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

Restriction on voting rights

91. 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.

Equal rights of members

92. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Restriction on objecting qualification of any voter

93. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

Proxies when to be deposited

94. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.

Form of proxy

95. An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.

Proxy to be valid notwithstanding death of the Principal

96. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

Present Directors*

97. The present Directors of the Company are:

- i. Mr. Vipin Prakash Mangal
- ii. Mr. Chanakya Prakash Mangal
- iii. Mr. Chandragupt Prakash Mangal

Provided that the same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

Number of Directors

98. Unless otherwise determined in a general meeting of the Company and subject to the provisions of the Act and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15, atleast two thirds of whom shall be liable to retire by rotation.

* Present Directors means the Board of Directors as on the date of Extra-ordinary General Meeting dated 17th September, 2019 in which this Articles of Association of the Company has been adopted.

Appointment of Chairperson and Vice-chairperson

99. The Directors may from time to time elect one of their number to be chairperson and vice-chairperson of the Board of Directors and determine the period for which they are to hold office. If at any meeting of the Board of Directors, the Chairperson is not present at the time appointed for holding the same, the Vice-chairperson shall preside and failing him the Directors present shall choose one of their number to be Chairperson of such meeting.

Appointment of Managing Director and/or Whole-time Director

100. Subject to the provisions of the Act, the Company shall be entitled from time to time to appoint and/or employ any Director of the Company as Managing Director or Managing Directors and/or Whole time Director or Whole Time Directors and/or as head of any department of the Company and/or in any other capacity and for such period and on such remuneration as may be decided upon and the Board of Directors shall from time to time confer upon such appointee such powers as they may think fit and from time to time to revoke and/or modify the same and to suspend and/or remove such appointee.

Remuneration of directors

101. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

Remuneration to require members' consent

102. (i) The remuneration payable to the directors, including any managing or whole - time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting or in the manner elsewhere provided in this Articles of Association.

Travelling and other expenses

(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—

- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

Sitting Fee

103. Every Director shall be paid out of the funds of the Company such sum as the Directors may from time to time determine for attending every meeting of the board or any committee of the Board, subject to the ceiling prescribed under the Act. The Directors shall also be paid travelling and other expenses for attending and returning from meeting of the Board and any other expenses properly incurred by them in connection with the business of the Company.

Nominee Director

104. Subject to the provisions of the Act and to these Articles, whenever the Directors enter into a contract with any Government, Central, State or Local, any Bank/s or Financial Institution/s or any person/s [hereinafter referred to as "the Appointer"] for borrowing any money or for providing any guarantee or security for any technical or financial collaboration or assistance or for entering into any other arrangement, whatsoever, the Directors shall have the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such terms and conditions as may be mentioned in the agreement and that such Director or Directors may not liable to retire by rotation nor be required to hold any qualification shares. The Directors of Company may also agree that such Director may be removed from time to time by the appointer and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever.

Debenture Directors

105. Any trust deed for securing debentures or debenture stock may if so arranged provide for the appointment from time to time by the trustees thereof or by the holders of the debenture stock, of one or more persons to be the director (s) of the Company or may empower such trustees or holders of debentures or debenture stock from time to time to remove any such director (s) so appointed. A director appointed under this Article is hereby referred to as a "Debenture Director" and the terms "Debenture Director" means a director for the time being in office under this Article. A debenture director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain that ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other powers herein contained.

Limit on number of non-rotational Directors

106. The provisions of Articles are subject to the provisions of the Act and the number of such Directors appointed under Articles excluding the Directors appointed by financial institutions for which special provisions have been made in the respective laws relating to such institutions shall not exceed in the aggregate one third of the total number of Directors for the time being in office. The remaining Directors shall be appointed by the Company in General Meeting.

Execution of negotiable instruments

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.

Special remuneration to Directors

108. If any Director being willing, shall be called upon to perform extra services which expression shall include work done by the Director as a member of any committee formed by the Directors or to make any special exertions in going or residing abroad or otherwise for any of the purposes of the Company, the Board may resolve to remunerate such Director either by a fixed sum or by a percentage of profit or otherwise as may be determined by the Directors and such remuneration may be in addition to the remuneration above provided.

Appointment of Additional Director

109. (i) Subject to the provisions of the Act, 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.

Duration of office of Additional Director

(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.

Appointment of Alternate Director

110. (i) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. 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.

Duration of office of Alternate Director

(ii) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

Re-appointment provisions applicable to Original Director

(iii) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

Appointment of director to fill a casual vacancy

111. (i) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.

Duration of office of Director appointed to fill casual vacancy

(ii) The director so appointed shall hold 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.

POWERS OF BOARD

General powers of the Company vested in Board

112. Without prejudice to the specific powers conferred upon the Board by the provisions of the Act and Rules made thereunder and these Articles, the management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized 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 laws 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 Board which would have been valid if such regulation had not been made.

Power and duties of Managing Director

113. Subject to the superintendence, control and direction of the Board, the day to day management of the company shall be in the hands of the managing director(s). The Board may from time to time entrust to and confer upon the managing director(s) for the time being, save as hereafter in this Article provided, such of the powers exercisable under these presents by the Board as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient, and they may subject to the provisions of the Act and these presents confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Board in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers. Provided however that the Board shall not entrust to and confer upon the managing director(s) and the managing director(s) shall not have or be entitled to exercise the power (1) to make calls upon the members of the Company in respect of moneys unpaid on the shares held by them respectively, (2) to borrow any sum or sums of money for the purposes of the Company or to make loans out of the funds of the Company except within such limits as may from time to time be previously fixed by the Board or (3) to invest any of the moneys of the Company, beyond the limits fixed by the Board.

PROCEEDINGS OF THE BOARD

When meeting to be convened

114. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board

Participation at Board Meetings

(iii) The participation of directors in a meeting of the Board 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.

Questions at Board meeting how decided

115. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

Casting vote of Chairperson at Board meeting

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

Directors not to act when number falls below minimum

116. 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.

Who to preside at meetings of the Board

117. (i) The Chairperson of the Company shall be the Chairperson at meetings of the Board.

Directors to elect a Chairperson

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

Delegation of powers to Committee

118. (i) The Board may, subject to the provisions of the Act, also delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) 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.

Chairperson of Committee

119. (i) A committee may elect a Chairperson of its meetings.

Who to preside at meetings of Committee

(ii) 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.

Committee to meet

120. (i) A committee may meet and adjourn as it thinks fit.

Questions at Committee meeting how decided

(ii) 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.

Casting vote of Chairperson at Committee meeting

(iii) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

Acts of Board or Committee valid notwithstanding defect of appointment

121. 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.

Passing of resolution by written consent

122. 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.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

123. Subject to the provisions of the Act,—

Chief Executive Officer, etc.

(i) 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;

Director may be Chief Executive Officer, etc.

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

Dual position of Director

124. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, 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.

CONSULTANTS AND ADVISORS

Company may appoint consultants and/or advisors

125. The Company may, subject to the provisions of the Act and these presents appoint any body corporate, firm or individual as its consultant(s) and/or advisor(s) on technical, financial and management matters, on such terms and conditions and on such remuneration as the Board may deem fit.

REGISTERS AND RECORDS

Statutory Registers and Records

126. Subject to the provisions of the Act and Rules made there under, the Company shall keep and maintain at its registered office all statutory registers and records for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and records shall be open for inspection (wherever permissible) during 3.00 p.m. to 5.00 p.m. on all working days at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Act and the Rules. The fees for obtaining extracts of the registers and records (wherever permissible) shall be also fixed by the Board but not exceeding the limits prescribed by the Act and the Rules.

Foreign Register

127. (i) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
- (ii) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

THE SEAL

The seal, its custody and use

128. (i) The Board shall provide for the safe custody of the seal, if any.

Affixation of seal

- (ii) The seal, if any, of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of one director at least who shall sign every instrument to which the Seal is affixed in his presence and countersigned by the Secretary or such other person as the Board may appoint for the purpose and such director or the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

Company in general meeting may declare dividends

129. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Interim dividends

130. Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

Dividends only to be paid out of profits

131. 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 equalizing 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.

Carry forward of profits

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Division of profits

132. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

Payments in advance

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

Dividends to be apportioned

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

No member to receive dividend whilst indebted to the Company and Company's right to reimbursement there from

133. 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.

Retention of dividends

134. 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.

Dividend how remitted

135. (i) 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.

Instrument of payment

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Discharge to Company

(iii) 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 have made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

Receipt of one holder sufficient

136. 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.

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.

No interest on dividends

137. No dividend shall bear interest against the company.

Waiver of dividends

138. Notwithstanding anything contained in this Articles of the Company, but subject to the provisions of the Companies Act, 2013 and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board, it shall be open for the Members of the Company who hold the Equity shares in the Company to waive/forgo his/her/their right to receive the dividend (interim or final) by him/her/them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Members, his/her/their right to receive the dividend (interim or final) by him/her/them under this Article shall be irrevocable immediately after the record date/book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/forgone his/her/their right to receive the dividend (interim or final) by him/her/them under this Article.

The Company in General Meeting may declare dividends to be paid to the Members other than the Members who have waived/forgone their right of receiving any Dividend (including any interim dividend), declared / to be declared by the Company for Financial Year, in accordance with Rules framed by the Board and amended from time to time, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

Subject to the provisions of the Act, the Directors may, from time to time, pay to the Members other than the Members who have waived/foregone their right of receiving any dividend declared / to be declared by the Company for any financial year, in accordance with Rules framed by the Board and amended from time to time, such interim dividends as in their judgment the position of the Company justifies.

ACCOUNTS

Inspection by Directors

139. (i) 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.

Restriction on inspection by members

(ii) 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 authorized by the Board or by the company in general meeting.

WINDING UP

Winding up of Company

140. Subject to the provisions of the Act and rules made there under—

(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.

(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.

(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 other securities whereon there is any liability.

INDEMNITY AND INSURANCE

Directors and Officers right to indemnity

141. (i) Subject to the provisions of the Act, every director, managing director, whole

Time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(ii) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified 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 discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Insurance

142. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

143. (i) Subject to the provisions of Companies Act, 2013 no member shall be entitled to

visit or inspect any work of the company without the permission of the Directors, Managing Directors or Secretary or any discovery of any information or any detail of the Company's business or any other matter, which is or may be in the nature of a trade secret, mystery of secret process or which may relate to the conduct of the business of the company and which in the opinion of the Directors or the Managing Director will be inexpedient in the collective interests of the members of the company to communicate to the public or any member.

(ii) Every Director, manager, secretary, auditor, trustee, member of committee, officer, servant, agent, accountant or other person employed in the business of the company will be upon entering his duties pledging himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors 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 contained.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus to be filed with the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 19/B Kalyan Society near M.G. International School, Mithakhali, Ahmedabad -380006, Gujarat, India from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated October 17, 2019 between our Company and the Lead Manager;
2. Registrar to the issue agreement dated October 17, 2019 between our Company and Link Intime India Private Limited, Registrar to the Issue;
3. Underwriting Agreement dated October 17, 2019 between our Company and Underwriter viz. Pantomath Capital Advisors Private Limited;
4. Market Making Agreement dated October 17, 2019 between our Company, Market Maker and the Lead Manager;
5. Banker to the Issue Agreement dated November 04, 2019 amongst our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue;
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated September 27, 2019;
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated September 27, 2019

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolution of the Board of Directors dated September 18, 2019 in relation to the Issue and other related matters;
3. Special Resolution of the shareholders passed at the Extraordinary General Meeting dated September 23, 2019 authorizing the Issue;
4. Statement of Tax Benefits dated October 18, 2019 issued by Statutory Auditor i.e. M/s. Keyur Shah & Co, Chartered Accountants;
5. Report of the Statutory Auditor dated October 18, 2019 on the Restated Financial Statements for the period ended on June 30, 2019 and financial year ended March 31, 2019, 2018 & 2017 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Banker to the Issue, Refund Banker and Sponsor Bank to the Issue to act in their respective capacities.
7. Copy of In-Principle approval from National Stock Exchange of India Limited vide letter dated November 06, 2019 to use its name in this Offer document for listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

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, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, SCRA, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of our Company.

| Name and Designation | Signature |
|--|-----------|
| Vipin Prakash Mangal <i>Chairman & Executive Director</i> DIN: 02825511 | sd/- |
| Chanakya Prakash Mangal <i>Joint Managing Director</i> DIN: 06714256 | sd/- |
| Chandragupt Prakash Mangal <i>Joint Managing Director</i> DIN: 07408422 | sd/- |
| Sarika Modi <i>Non-Executive Director</i> DIN: 08320453 | sd/- |
| Manish Bagadia <i>Independent Director</i> DIN: 02009864 | sd/- |
| Praveen Gupta <i>Independent Director</i> DIN: 00415491 | sd/- |

Signed by Chief Financial Officer of the Company.

sd/-

Ashutosh Mehta

Chief Financial Officer

Place: Ahmedabad

Date: November 06, 2019

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

| Sr. No | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | +/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing |
|--------|--|-----------------|-------------------|-------------------|-------------------------------|--|--|---|
| 1. | Innovative Ideals and Services (India) Limited | 12.26 | 40.00 | October 05, 2018 | 43.00 | 215.00% (1.85%) | 320.25% (4.41%) | 299.75% (13.61%) |
| 2. | Vinny Overseas Limited | 10.37 | 40.00 | October 11, 2018 | 40.50 | 11.25% (3.43%) | 12.25% (5.54%) | 5.00% (13.38%) |
| 3. | Shubhlaxmi Jewel Art Limited | 6.51 | 26.00 | December 04, 2018 | 27.10 | 33.85% (-0.71%) | 111.54% (-0.06%) | 360.38% (9.69%) |
| 4. | Deccan Health Care Limited | 42.12 | 100.00 | December 31, 2018 | 108.00 | 28.40% (-1.32%) | 7.05% (7.22%) | -10.55% (9.22%) |
| 5. | Surani Steel Tubes Limited | 12.92 | 52.00 | February 06, 2019 | 53.10 | -4.81% (-0.04%) | -7.69% (4.84%) | -19.33% (-0.59%) |
| 6. | Ritco Logistics Limited | 48.18 | 73.00 | February 07, 2019 | 77.40 | -5.00% (-0.81%) | -3.49% (3.53%) | -8.70% (-0.73%) |
| 7. | Artedz Fabs Limited | 8.32 | 36.00 | March 29, 2019 | 40.00 | 5.56% (1.12%) | -9.44% (1.92%) | -34.17% (-0.31%) |
| 8. | Par Drugs and Chemicals Limited | 8.53 | 51.00 | May 16, 2019 | 52.90 | -6.47% (5.03%) | -7.84% (-2.94%) | Not Applicable |
| 9. | Suich Industries Limited | 30.86 | 75.00 | June 13, 2019 | 68.50 | -42.00% (-2.53%) | -61.93% (-6.53%) | Not Applicable |
| 10. | Gensol Engineering Limited | 17.93 | 83.00 | October 15, 2019 | 85.40 | Not Applicable | Not Applicable | Not Applicable |

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.
2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

SUMMARY STATEMENT OF DISCLOSURE

| Financial year | Total no. of IPO | Total funds raised (Rs. Cr) | Nos of IPOs trading at discount on 30th Calendar day from listing date | | | Nos of IPOs trading at premium on 30th Calendar day from listing date | | | Nos of IPOs trading at discount on 180th Calendar day from listing date | | | Nos of IPOs trading at premium on 180th Calendar day from listing date | | |
|----------------|------------------|-----------------------------|--|----------------|---------------|---|----------------|---------------|---|----------------|---------------|--|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 17-18 | *30 | 610.90 | - | - | 4 | 10 | 7 | 9 | - | 2 | 6 | 12 | 3 | 7 |
| 18-19 | **25# | 477.04 | - | - | 6 | 2 | 4 | 12 | 1 | 2 | 10 | 3 | 2 | 7 |
| 19-20 | ***3\$ | 57.32 | - | 1 | 1 | - | - | - | - | - | - | - | - | - |

*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

**The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Sofitech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 February 07, 2019 and March 29, 2019 respectively.

***The script of Par Drugs and Chemicals Limited, Suich Industries Limited and Gensol Engineering Limited were listed on May 16, 2019, June 13, 2019 and October 15, 2019 respectively.

\$ The script of Par Drugs and Chemicals Limited, Suich Industries Limited and Gensol Engineering Limited have not completed 180 Days, 180 Days and 30 Days respectively from the date of listing.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

Note: Ambition Mica Limited is a Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2017-18 and the same has not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.