



M K ROY & BROS PROJECTS LIMITED

Our Company was originally incorporated as M K Roy & Bros Projects Private Limited, as a private limited company, under the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2000, bearing registration number "092689" issued by the Registrar of Companies, West Bengal at Kolkata. Subsequently our Company was converted into a public company and consequently the name of the Company was changed to M K Roy & Bros Projects Limited vide a fresh Certificate of Incorporation consequent upon the change of name dated December 13, 2018 was issued by the Registrar of Companies, West Bengal at Kolkata. The Corporate Identification Number of our Company is U45209WB2000PLC092689. For further details of our Company, please refer to the chapters titled 'General Information' and 'Our History and Certain Corporate Matters' beginning on page numbers 46 and 126, respectively, of this Draft Prospectus.

Registered Office: 68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal-743319
Tel: +91-033-24703898, **Fax:** N.A., **Website:** www.mkroyprojects.com, **E-mail:** cs@mkroyprojects.com
Company Secretary and Compliance Officer: Mr. Shakeel Ahmed

PROMOTERS: MR. MIHIR KUMAR ROY AND MRS. SULEKHA ROY

THE ISSUE

INITIAL PUBLIC OFFER OF 6,53,000* EQUITY SHARES OF FACE VALUE OF RS.10/- EACH ("EQUITY SHARES") OF M K ROY & BROS PROJECTS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING UP TO RS. [●] LAKHS ("ISSUE") OF WHICH 33,000* EQUITY SHARES OF FACE VALUE RS.10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE AGGREGATING RS. [●] 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 [●] EQUITY SHARES OF FACE VALUE OF RS.10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 235 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE ISSUE PRICE OF [●] IS [●] TIMES OF THE FACE VALUE.

THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.

For further details please refer the section titled 'Issue Information' beginning on page 235 of this Draft Prospectus

All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015. For further details, please refer to chapter titled "Issue Procedure" beginning on page 243 of this Draft Prospectus. In case of delay, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10/-. The Issue Price as stated under the chapter titled 'Basis for the Issue Price' beginning on page 76 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 19 of this Draft Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft 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 Draft 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 Draft Prospectus are proposed to be listed on EMERGE Platform of National Stock Exchange of India Limited. 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 [●], from National Stock Exchange of India Limited for using its name in this Draft Prospectus for listing of our shares on EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue EMERGE Platform of National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE



CORPORATE CAPITAL VENTURES PRIVATE LIMITED
SEBI Registration No.: MB/INM000012276
160 L.G.F., Vinoba Puri, Lajpat Nagar -II, New Delhi- 110024
Tel No.: +91-11-41704066
Contact Person: Mr. Tushar Shukla / Mr. Pramod Negi
E-mail: info@ccvindia.com
Website: www.ccvindia.com

REGISTRAR TO THE ISSUE



SKYLINE FINANCIAL SERVICES PRIVATE LIMITED
SEBI Registration No.: INR000003241
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel No: +91- 11-26812682; **Fax No:** +91-11-26812683
Contact Person: Mr. Virender Rana
Website: www.skylinerta.com
Email: viren@skylinerta.com

OFFER PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

*Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In the Draft Prospectus, unless the context otherwise requires, the terms defined and abbreviations stated hereunder shall have the meanings as assigned therewith as stated in this Section.

General Terms

Term	Description
“M K Roy & Bros Projects Limited”, “We” or “us” or “our Company” or “the Issuer” or “the Company”	Unless the context otherwise requires, refers to M K Roy & Bros Projects Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at 68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319

Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, requires, refers to the Articles of Association of M K Roy & Bros Projects Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Auditors	The Statutory Auditors of our Company, being M/s Jain Singh & Co., Chartered Accountants
Board of Directors / Board	The Board of Directors of M K Roy & Bros Projects Limited, including all duly constituted Committees thereof.
Companies Act	The Companies Act, 2013 including provisions of Companies Act, 1956, to the extent not repealed.
Company Secretary and Compliance Officer	Mr. Shakeel Ahmed
Depositories Act	The Depositories Act, 1956, as amended from time to time
Director(s)	Director(s) of M K Roy & Bros Projects Limited unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof
EPC	Engineering Procurement and Construction
HUF	Hindu Undivided Family
Equity Shareholders	Persons holding equity shares of our Company.
Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material by our Board, and disclosed in the chapter titled “Our Group Entities” beginning on page 151 of this Draft Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled “Our Management” on page no. 130 of this Draft Prospectus.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of M K Roy & Bros Projects Limited

Terms	Description
Non Residents	A person resident outside India, as defined under FEMA
NRIs / Non Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India) Regulations, 2000
Person or 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 validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoters or Our Promoters	Mr. Mihir Kumar Roy and Mrs. Sulekha Roy
Promoters Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoters Group”. For further details refer page 145 of this Draft Prospectus.
Registered Office	The Registered and Corporate Office of our company which is located at 68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319
RoC	Registrar of Companies, West Bengal, situated at Kolkata
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations	SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 and 2011, as amended from time to time depending on the context of the matter being referred to
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
Unit - 1	The Unit - 1 of our company which is located at Chakparan (Boanwala) PO Bawali South 24 Parganas, West Bengal, Kolkata – 700137
Unit - 2	The Unit - 2 of our company which is located at Dongaria, Dakshin Raipur, South 24 Parganas, West Bengal, 743318
Branch Office	The Branch Office of our company which is located at 419, Sidha Weston, 9, Weston Street, Kolkata, 700013

Offer Related Terms

Terms	Description
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our

Terms	Description
	Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●].
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 243 of this Draft Prospectus.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at http://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (NSE)
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/ IPO	Initial Public Issue of 6,53,000* Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of [●] per Equity Share (including a premium of [●] per Equity Share) aggregating [●] Lakhs. *Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.
Issue Agreement	The agreement dated January 15, 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 on which Issue closes for subscription.

Terms	Description
Issue Opening Date	The date on which Issue opens for subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Prospectus being [●] per Equity Share of face value of Rs. 10/- each fully paid.
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being [●] Lakhs.
LM / Lead Manager	Lead Manager to the Issue, in this case being Corporate CapitalVentures Private Limited
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India.
Market Maker	Market Makers appointed by our Company from time to time, [●], who have 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 Making Agreement	The Agreement entered into between the Lead Manager, Market Maker and our Company dated [●].
Market Maker Reservation	<p>The Reserved Portion of 33,000* Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. [●] /- per Equity Share aggregating Rs. [●] Lakhs for the Market Maker in this Issue.</p> <p>*Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.</p>
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Offer	<p>The Issue (excluding the Market Maker Reservation Portion) of 6,20,000* Equity Shares of Rs.10/- each of Issuer at [●] (including share premium of [●]) per Equity Share aggregating to [●].</p> <p>*Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.</p>
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page [o] of this Draft Prospectus.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organisation, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organisation validly constituted and/or incorporated in the

Terms	Description
	jurisdiction in which it exists and operates, as the context requires.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Prospectus	The Prospectus, which is filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India
Refund Account	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur
Refund Bank	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar/ Registrar to the Offer	Registrar to the Offer being Skyline Financial Services Pvt. Ltd. For more information please refer “General Information” on page number 46 of this Draft Prospectus.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000
SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time.
Underwriter	Underwriter to this Issue is Corporate CapitalVentures Private Limited
Underwriting Agreement	The agreement dated [●] entered into between Corporate CapitalVentures Private Limited and our Company
Working Days	I. Till Application / Issue closing date: All days other than a Saturday, Sunday and a public holiday; II. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26

Terms	Description
	dated January 21, 2016.

Technical / Industry Related Terms

Term	Description
AAI	Airports Authority of India
BG	Bank Guarantee
BOM	Bill on Materials
BOO	Build, Own, Operate
BOOT	Build, Own, Operate and Transfer
BOT	Build, Operate and Transfer
CAGR	Compound Annual Growth Rate.
CEA	Central Electricity Authority
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
CPWD	Central Public Works Department
CSO	Central Statistical Organisation
CSO	Central Statistical Organization
DBFO	Design Build Finance Operate
DEPB	Duty entitlement pass book scheme
EASF	Essential Air Services Fund
EBR	Extra-Budgetary Resources
EPC	Engineering Procurement and Construction
EPCG	Export Promotion Capital Goods Scheme
FDI	Foreign Direct Investment
GBS	Gross Budgetary Support
GDP	Gross Domestic Product; the gross Domestic Product (GDP) or gross domestic income (GDI) is the amount of goods and services produced in a year, in a country. It is the market value of all final goods and services made within the borders of a country in a year.
GOI	Government of India
GQ	Golden Quadrilateral
I.R.	Internal resources
IEBR	Internal resources and Extra-Budgetary Resources
IT	Information Technology
LC	Letter of Credit
LSTK	Lump Sum Turnkey
LT	Low Tension
MHUD	Ministry of Housing and Urban Development
NHAI	National Highway Authority of India
NHDP	National Highway Development Projects
NSDC	National Skill Development Council
NS-EW	North, South, East, West
O&M	Operations and Maintenance
PE	Private Equity
PPP	Public Private Partnership
RACF	Regional Air Connectivity Fund
RBI	Reserve Bank of India
REIT	Real Estate Information Technology

Term	Description
REMF	Real Estate Mutual Fund
RONW	Return on Net Worth
RSOP	Regional Scheduled Operator Permit
SEZ	Special Economic Zone
SOP	Standard Operating Procedure
SPV	Special Purpose Vehicle
SSI	Small Scale Industry
VCF	Venture Capital Funds

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited(formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NPV	Net Present Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
STT	Securities Transaction Tax
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
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.

Notwithstanding the foregoing:

1. In the section titled '*Main Provisions of the Articles of Association*' beginning on page number 272 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
2. In the chapters titled '*Summary of Offer Documents*' and '*Our Business*' beginning on page numbers 13 and 95 respectively, of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
3. In the section titled '*Risk Factors*' beginning on page number 19 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
4. In the chapter titled '*Statement of Tax Benefits*' beginning on page number 79 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
5. In the chapter titled '*Management's Discussion and Analysis of Financial Conditions and Results of Operations*' beginning on page number 204 of the Draft Prospectus, defined terms shall have the meaning given to such terms in that section.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and 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 Statements, as Restated’ beginning on page 158 this Draft 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 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft 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 Draft 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 Draft 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 Draft 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 and 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 Statements, as Restated’ beginning on page 158 of this Draft Prospectus.

Currency and units of presentation

In this Draft Prospectus, references to “Rupees” or “INR” or “Rs.” 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 millions’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

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

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

- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Adverse natural calamities having significant impact on regions where we are having projects under implementation;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled ‘*Risk Factors*’, ‘*Our Business*’ and ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations*’ beginning on page numbers 19, 95 and 204, respectively of this Draft Prospectus.

Forward looking statements reflects views as of the date of the Draft Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

SECTION II - SUMMARY OF OFFER DOCUMENTS

SUMMARY OF OUR BUSINESS

Incepted in year 2000, today we are a company with state of art facilities, in construction / fabrication business of Petroleum Storage Tank (Vertical Cone Roof, Floating Roof and Horizontal UG Tank), Fire Hydrant pipeline, Foam system, Sprinkler system TDW & TLF gantry and other supply of materials across India, with a number of reputed clients across the country. Our Company execute project on Engineering, Procurement and Construction (EPC) basis. With creativity in every aspect of operations and determination to provide solution to complex technological problems in design, engineering, manufacturing and the zeal to provide best results despite of all constraints in field jobs, have provided M K Roy & Bros. recognition for quality and all-round excellence.

Our Company is a comprehensive source for:

- | | |
|---------------------------|-----------------------------------|
| • Petroleum Tank Terminal | • Civil jobs |
| • Electrical Heat Tracing | • Large warehouses/L.P.G. godowns |
| • Grease Kettle | • Piping |
| • Pressure Vessel | • IBR Pipeline |
| • Heat Exchangers | • Heating Coil |
| • Heavy structural | |

Our customer base includes one of the prime names of Oil & Gas sector corporate in India:

- Indian Oil Corporation Limited
- Hindustan Petroleum Corporation Limited
- Bharat Petroleum Corporation Limited
- Indian Oil Tanking
- Balmare Lawrie Co. Ltd.
- IMC Limited

SUMMARY OF INDUSTRY

“EPC” is an acronym for **Engineering, Procurement, and Construction**. EPC contracts are notable form of contracting agreement in the construction industry. It is a contract involving combination of these three tasks. It is also called as ‘design and build’ arrangement. These arrangements involve placing the entire responsibility of design to construction/ installation on one person. Organizations which deliver EPC Projects are commonly referred to as EPC Contractors. EPC contractor is made responsible for all the activities from design, procurement, construction, commissioning and handover of the project to the end-user or owner.

Under an EPC contract, the contractor designs the installation, procures the necessary materials builds/ constructs the project, either directly or by outsourcing the work, along with associated touches of installation/ inspection/ quality control etc. The meaning of the three terms (i.e., engineering, procurement & construction) has been defined and detailed in various literatures. Instead of picking these definitions or reiterating them, the scope of these three expressions in the present context has been depicted below in tabular form:

Engineering:	Procurement:	Construction:
<ul style="list-style-type: none"> ▪ Initiation or designing ▪ Planning or programming ▪ Estimating or projection ▪ Documenting performance standards 	<ul style="list-style-type: none"> ▪ Identifying, negotiating & arranging supplies ▪ Clearing at ports ▪ Ensuring delivery at right place ▪ Ensuring delivery at right time ▪ Invoicing ▪ Stock or effort reconciliation 	<ul style="list-style-type: none"> ▪ Drafting construction Schedule ▪ On-site material handling ▪ Erection, commissioning & testing ▪ On-site Client Communications ▪ Testing and validation ▪ Debugging or defect rectification

Before the EPC phase of the project, which is the execution phase of the projects, comes the FEED phase or Front End Engineering Design phase. The FEED is a basic engineering design used as the basis for the EPC phase. The FEED can be divided into separate packages covering different portions of the project.

The FEED packages are used as the basis for bidding on when the client offers the EPC work to the market, normally the EPC Contractor has to execute and deliver the project within an agreed time and budget, commonly known as a Lump Sum Turn Key (LSTK) Contract. An EPC LSTK Contract places the risk for schedule and budget on the EPC Contractor. The project owner or client to the EPC Contractors will normally have a presence in the EPC Contractors offices during the execution of the EPC Contract.

The Client places what can be termed a Project Management Team or PMT to overlook the EPC Contractor. The client PMT may require specialist help and bring on board Project Management Consultants or PMC's to assist. The PMT / PMC will ensure the EPC Contractor is carrying out the works in accordance with the agreed scope of works and in accordance with the Contract. It is quite common for the Engineering and Construction Contractor which delivered the FEED to be offered a Project Management Consultancy (PMC) Contract.

(Source: 19th International Tax & Finance Conference, 2015: EPC)

PROMOTERS

The promoters of our Company are Mr. Mihir Kumar Roy and Mrs. Sulekha Roy. For detailed information please refer chapter titled “Our Promoters and Promoter Group” on page number 145 of this Draft Prospectus.

ISSUE SIZE

The Issue size comprises of issuance of up to 6,53,000* Equity Shares of face value of Rs.10/- each fully paid-up of the Company for cash at price of Rs. [●] per Equity Share (including premium of Rs. [●] per Equity Share) aggregating Rs. [●] Lakhs.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 13, 2018 and approved by the shareholders of our Company vide a special resolution at the EGM held on December 15, 2018 pursuant to section 62(1)(c) of the Companies Act.

**Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.*

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

#	Particulars	Amount (Rs. in Lakhs)
1.	Capital Expenditure requirement	[●]
2.	Working Capital requirement	[●]
3.	General Corporate Purposes	[●]
Total		[●]

**The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.*

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

#	Name of Share Holder	No. of equity shares	% of Total Paid-Up Capital
Promoters			
1	Mihir Kumar Roy	9,16,950	50.959
2	Sulekha Roy	3,72,050	20.676
Total – A		12,89,000	71.635
Promoters' Group			
3	Hindustan Tank Structural Private Limited	5,10,000	28.343
4	Puja Roy	100	0.006
5	Subhra Jashu	100	0.006
6	Jayanta Jashu	100	0.006
Total – B		5,10,300	28.359
Total Promoters and Promoters' Group (A+B)		17,99,300	99.994

** Total Paid Up Capital of the Company is 17,99,400 Equity Shares.*

SUMMARY OF FINANCIAL INFORMATION

Particulars	For the year ended			Period ended September 30, 2018
	2016	2017	2018	
Share Capital	179.94	179.94	179.94	179.94
Net Worth	952.02	1131.22	1426.06	1646.21
Revenue (total income)	4,477.34	4,636.16	5,996.26	2,992.29
Profit after Tax	182.42	222.42	338.15	220.15
Earnings per share				
- Basic	10.17	12.39	18.84	12.24
- Diluted	10.17	12.39	18.84	12.24
Net Asset Value per Equity Share (in Rs.)	52.91	62.87	79.25	91.49
Total borrowings				
- Long Term	35.33	70.09	256.59	372.7
- Short Term	669.11	840.73	1,003.02	995.33

QUALIFICATIONS OF AUDITORS

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

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

(Rs. in Lakhs)

#	Particulars	Authority	Period ended September 30, 2018	Year ended March 31, 2018
1.	Service Tax demand for Financial Year 2009-10	Appellate Tribunal, Kolkata (Appeal)	24,16,473	24,16,473
2.	Service Tax demand for Financial Year 2011-12, 2012-13 and 2013-14	Commissioner of CGST and CX (Appeals-I) (Appeal)	93,83,800	93,83,800
Total (A)			118,00,273	118,00,273
3.	VAT demand for Financial Year 2013-14	West Bengal Commercial Taxes Appellate & Revisional Board (Appeal)	37,22,366	37,22,366
4.	VAT demand for Financial Year 2014-15	Joint Commissioner Office, Sales Tax, Behala (Appeal)	17,20,641	17,20,641
Total (B)			54,43,007	54,43,007
5.	Income Tax Demand for the Assessment Year 2015-16	Commissioner of Income Tax (Appeal)	110,39,520	110,39,520
Total (C)			110,39,520	110,39,520
Grand Total (A+B+C)			282,82,800	282,82,800

For further details, please refer chapter titled “Outstanding Litigations & Material Developments” beginning on page 214 of this Draft Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 19 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(i) Contingent Liabilities				
(a) Claims against the company not acknowledged as debts	-	-	-	-
(b) Guarantees	562.91	543.79	828.33	932.69
(c) Other money for which the company is contingently liable	-	-	-	-
(ii) Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) Uncalled liability on shares and other Investments partly paid	-	-	-	-
(c) Other Commitments	-	-	-	-
Total	562.91	543.79	828.33	932.69

For further details, please refer chapter titled Annexure 21 on page 175 of this Draft Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

(Rs. in Lakhs)

Name	Relation	Nature of Transaction	As at 31.03.16	As at 31.03.17	As at 31.03.18	As at 30.09.18
Mihir Kumar Roy	Director	Director's Remuneration	24.00	60.00	96.00	48.00
Sulekha Roy	Director	Director's Remuneration	12.00	36.00	60.00	30.00
Pritha Roy	Director	Director's Remuneration	12.00	12.00	22.00	12.00
MKR Distilleries Pvt Ltd	Subsidiary	Investment in Equity Share	110.70	317.46	609.61	624.92
Mihir Kumar Roy	Director	Loan Taken	-	49.50	90.00	106.50
Sulekha Roy	Director	Loan Taken	-	-	55.00	68.50
Pritha Roy	Director	Loan Taken	-	-	20.00	20.00
MKR Distilleries Pvt Ltd	Subsidiary	Advances	107.04	-	-	-
Ramkrishnan Service Station	Group Entity	Purchase	28.29	29.68	49.24	22.88
Hindustan Tank Structural Pvt Ltd	Group Company	Receiving of Service	28.09	0.94	10.36	-
Ramkrishnan Service Station	Group Entity	Trade Payables	9.35	7.47	8.18	12.97
Hindustan Tank Structurals Pvt Ltd	Group Company	Trade Payables	25.37	-	2.77	-

For further details, please refer chapter titled Annexure 29 on page 177 of this Draft Prospectus.

FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Prospectus.

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

Since the number of Equity Shares acquired by each of our promoters in the last one (1) year preceding the date of this draft prospectus is for consideration other than cash i.e. by gift, therefore weighted average price of equity share is nil.

AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Prospectus is:

Name	Average Cost of Acquisition per Equity Share (in Rs.)
Mr. Mihir Kumar Roy	12.04
Mrs. Sulekha Roy	5.08

DETAILS OF PRE-ISSUE PLACEMENT

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

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

Our Company has not issued any Equity Shares for consideration other than cash in last one (1) year preceding the date of this Draft Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

SECTION III - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in the Draft Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' beginning on page numbers 95 and 204, respectively, of the Draft Prospectus as well as the other financial and statistical information contained in the Draft Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled 'Financial Information, as Restated' beginning on page number 158 of the Draft Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

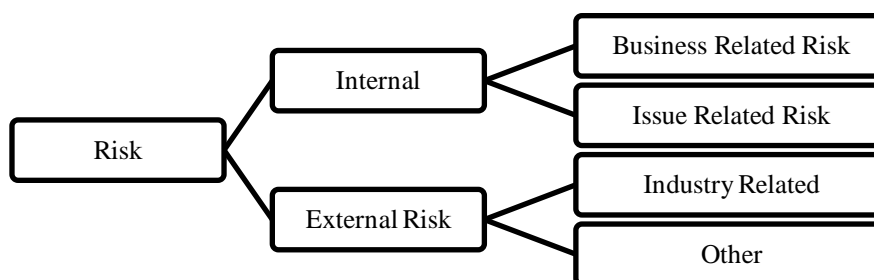
The Draft Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

The Risk factors have been determined on the basis of their materiality, which has been decided on the basis of following factors:

1. *Some events may not be material individually but may be material when considered collectively.*
2. *Some events may have an impact which is qualitative though not quantitative.*
3. *Some events may not be material at present but may have a material impact in the future.*

Classification of Risk Factors



INTERNAL RISKS

A. Business Related Risk

1. Demand for our products substantially depends on the activity and expenditure levels in the oil and gas sector.

Demand for our EPC business is particularly sensitive to the level of exploration, production and development of, and the corresponding capital spending by, oil and gas companies. Our revenue derived from the oil and gas sector accounted for 100% of our revenue in the years ended March 31, 2018. We expect that the oil and gas sector will continue to account for 100% of our revenues and profits in the future. Capital expenditure in the oil and gas sector is influenced by, among other factors, the rate of discovery and development of new oil and gas reserves; global demand for oil and gas and derivative products; oil and gas prices; increasing focus on alternative sources of energy, particularly renewable and sustainable forms of energy; local and international political and economic conditions; exploration, extraction, production, refining and transportation costs; governmental regulations and policies relating to the exploration for and production and development of their oil and natural gas reserves; global weather conditions; and trends in environmental legislation. Any prolonged increase in oil and gas prices could also result in decreased or slowing of consumer demand for products derived from oil and gas, including petrol, diesel and gas, consequently resulting in reduced financial incentive for oil and gas companies to make capital expenditures, which also could result in a corresponding decline in the demand for our EPC services. Sustained volatility of oil and gas prices can also cause capital expenditures to be postponed or cancelled. Historically, the global markets for oil and gas have been volatile and are likely to continue to be volatile in the future and, consequently, demand for our EPC services may experience volatility.

2. We typically enter into contracts on a fixed fee basis for our EPC Business, which exposes us to various forms of risks with respect to the cost of contract execution

The contracts entered into by us for our EPC Business are typically provided on a fixed fee basis, which means we generally bear the risk that the cost of executing the project will exceed our estimates. A number of factors may cause our cost of project execution to exceed our estimates, including:

- limited availability of information made available to us at the time we tender for the contract;
- limited amount of time we may be given to prepare our bid;
- increase in the cost of raw material, such as steel;
- increase in sub-contractor costs, labour costs and/or freight costs;
- increases in the cost of our working capital necessary for completion of the project;
- adverse changes to the relevant legal, regulatory or tax regimes;
- customer delays, such as delayed engineering inputs and approvals, that require us to commit additional resources to contract execution in accordance with the project timeline; and
- changes to the project plan or timetable that may increase our costs but for which we do not receive additional payment.

As we continue to undertake EPC projects of increasing size, we may become increasingly exposed to the risk of adverse deviations from our cost estimates, particularly to the extent that the project execution period occurs over a more extended period of time.

3. We typically enter into contracts for our EPC Business that require us to complete project execution within a specified timeframe, which exposes us to various forms of risks with respect to delays in contract execution

The contracts entered into by us for our EPC Business typically require us to complete the project within a specified timeframe, which means we generally bear the risk of delay. A number of factors may cause a delay in project execution, including:

- delays in receipt of work schedules and engineering inputs, approvals and decisions required from the customer;
- changes to project plans and process requirements;
- delays in delivery of raw materials, components or equipment;
- delays in performance by the sub-contractors;
- delays due to environmental considerations;
- delays in receiving the necessary regulatory clearances, approvals and certifications or delay in renewal of the same;
- unavailability of working capital necessary to finance execution of the project;
- accidents;
- delays in transportation of equipment and construction material;
- unavailability of skilled and unskilled labour;
- local strikes, bandhs and curfews by political parties;
- adverse weather conditions;
- adverse changes to the relevant legal, regulatory or tax regimes

In the event that we fail to complete an EPC project within the specified timeframe, our customers are typically entitled to receive liquidated damages for the delay to the extent the delay is attributable to us, and our customers may invoke the bank guarantees that we have provided in connection with the performance of the project or retain our security deposits as compensation for such damages. Certain of our recently completed EPC projects were completed subsequent to the timeframe required by the relevant EPC contract and we may be subject to claims against us for liquidated damages. Additionally, certain of our ongoing EPC projects have experienced execution delays and may not or will not be completed within the timeframe required by the relevant EPC contract. As we continue to undertake EPC projects of increasing size, we may become increasingly exposed to the risk of delay in the performance of EPC contracts and, therefore, liquidated damages claims.

4. We are dependent on few numbers of customers for our revenue. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top customers contribute approximately 96.37 % and 96.07% of our revenues for the financial year ended March 31, 2017 and 2018 respectively. Any decline in our quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain 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. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

5. Our Company has not entered into any supply agreement for the continuous supply of raw material and any non availability of same may have an adverse impact on our business.

As we majorly operate in metal fabrication to make storage tanks etc. *detailed information of which can be procured from heading “Our Business” on page no. 95 of this Draft Prospectus.* Our major raw material are Steel, Paints and Pipes & fittings, which are generally purchased from various suppliers and agents with whom the Company has established cordial relationship, however we have not entered into any supply agreement with the suppliers of our products. In the absence of any agreement for supply of the material, situation may arise where the Company has to face the scarcity or non availability of products required by us for smooth functioning of our trading operations. Our top 10 suppliers contribute 60.00 % of our total purchase for financial Year 2018. In an eventuality where our suppliers are unable to deliver us the required quantity in a time-bound manner it may have a material adverse effect on our business operations and profitability. While we are not significantly dependent on any single supplier, still stock supply and pricing can be volatile due to a number of factors beyond our control, general economic and political conditions, transportation and labour costs and there are inherent uncertainties in estimating such variables. Therefore, we cannot assure you that we will be able to procure adequate supplies of stock in the future, as and when we need them on commercially acceptable terms.

6. Our Company typically operate on the basis of tenders and orders. Inability to maintain regular flow of projects would adversely impact our revenues and profitability.

Our EPC business typically pursues projects within the oil and gas sectors that are awarded pursuant to a competitive bidding process. As a result, our Company does not have any long term supply contracts with our customers. We are dependent on the bid for projects which are aligned to our business strategy by enabling us to capture a significant portion of the EPC value chain, as well as those that enable us to diversify and leverage our expertise. In selecting contractors or consultants for major EPC projects, customers generally limit the tender to contractors they have pre-qualified based on several criteria including experience, technological capacity and proven track record, reputation for quality, safety record, financial strength and size of previous contracts in similar projects. There is no assurance that our Company will be successful in getting the EPC projects in competitive bidding process at all or on substantially the same terms, which could have an adverse effect on our Company's operations and profitability.

7. Mismanagement of our inventory could have an adverse impact on our operations flow, supply to customers and additional cost.

Being an EPC organisation stocking the right amount of inventory is crucial. If we order insufficient stock than our EPC order execution will suffer and our effectiveness will also get affected. On the other hand if we keep extra stock of raw material, there's a chance we'll be stuck with lots of extra stock that will cost us with maintenance expenditure. The time lags present in the supply chain, from supplier to user at every stage, requires us to maintain certain amounts of inventory to use in this lead time. Inventories are maintained as buffers to meet uncertainties in demand, supply and movements of goods. The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To do the same we must be able to accurately estimate customer demand and supply requirements and trade inventory accordingly. If we misjudged expected customer demand it could adversely impact by causing either a shortage of products or an accumulation of excess inventory. We estimate our revenue on the basis of our contemplation of purchase orders and also on the customer specifications. Any disruption in

operative conditions of our customers may cause loss of sales; consequently our inventory in stock will depreciate.

8. We do not own the registered office and factory land of our manufacturing facility at Chakparan (Boanwala) PO Bawali South 24 Parganas West Bengal, Kolkata - 700137. Any dispute in relation to lease of our premises would have an adverse effect on our business and results of operations.

The Registered Office of our Company situated at 68/A Netaji Subhas Road, Budge Budge, 24 PGS (South), West Bengal – 743319, has been leased from Mrs. Sulekha Roy, our promoter. Further, the land on which our factory is constructed in at Chakparan (Boanwala) PO Bawali South 24 Parganas West Bengal, Kolkata - 700137, has been leased from Mr. Mihir Kumar Roy, our promoter. The said office and manufacturing plant are taken on lease or license and in case of non-renewal or termination of such deed or renewal on such terms and conditions that are unfavourable to our Company, we may suffer disruption in our Operations which may adversely affect our financial conditions.

9. We are involved in a number of legal proceedings that, if determined against us, could have a material adverse impact on our financial condition and results of operations.

There are outstanding legal proceedings involving our Company. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate tribunals. Should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and liabilities. We cannot assure you that these legal proceedings will be decided in our favour. Any adverse decision may have a material adverse effect on our business, prospects, financial condition and results of operations. For further details on these proceedings, see the section “Outstanding Litigation and Material Developments” beginning on page 214 of this Draft Prospectus.

Brief details of legal proceedings involving our company and the amounts claimed in these proceedings as on the date of this Draft Prospectus have been disclosed to the extent ascertainable below:

S. N.	Nature of cases	No. of outstanding cases	Amount involved (in Rs. Mn)
1	Service Tax Act	2	118,00,273
2	West Bengal VAT Act	2	54,43,007
3	Income Tax Act	1	110,39,520
	Total	5	282,82,800

10. We may not realise the expected revenues, cash flow and profit from our EPC Order Book.

Our EPC Order Book is comprised of the estimated contract value of the unexecuted portion of our existing EPC contracts, as of a particular date. Our EPC Order Book was Rs. 17,899.60 Lakhs as of December 31, 2018. A number of contingencies could affect the realisation of our EPC Order Book as future external revenues, including cancellations, scope of work adjustments, loss of revenue resulting from our failure to meet the completion schedule, force majeure, legal impediments and our ability to perform under the contract. There can be no assurances that any revenues anticipated in our EPC Order Book will be realised or, if realised, will be realised at the time they are currently expected and projects may remain in our EPC Order Book for an extended period of time. We may also not receive cash flows from our execution of EPC contracts that correspond to the timing of the revenues we have recognised. We recognise revenues in respect of our EPC contracts by reference to the overall estimated profitability of the contract under the

percentage of completion method. However, we are typically entitled to receive milestone payments pursuant to the terms of the EPC contracts. Although we typically aim to achieve milestone payments that will yield equal payments at regular intervals over the life of the project based on our estimation of completion times of various aspects of the project, receipt of milestone payments may not necessarily correspond to the revenues we recognise or the costs we incur. Consequently, we may be required to fund our working capital requirements for completion of projects through borrowings.

Additionally, we may recognise revenues from our EPC Order Book that do not result in profits. We typically enter into EPC contracts on a fixed price basis. Under our fixed price contracts, the total consideration is typically set by the amount we bid for the project. As a consequence, we are susceptible to the risk of material cost variation from the assumptions underlying a bid for several reasons, including unanticipated changes in engineering design of the project; unanticipated variations in the cost of equipment, fuel, material or manpower; timing of delivery of equipment and materials to the project site; ability of the client to obtain requisite environmental and other approvals; and the performance of suppliers and sub-contractors. In particular, our fixed price contracts typically do not provide index based variable-price contracts for any commodity costs associated with the project, such as steel, nor do they provide for additional costs we may incur due to inflation. To the extent the costs of our EPC projects exceed our estimates; we may experience reduced or negative cash flow or reduced profitability or losses with respect to such projects.

11. We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations.

As on September 30, 2018, we have Rs. 1,353.13 Lakhs of outstanding debt in the books of the Company. Our level of indebtedness has important consequences to us, such as:

- limiting our ability to borrow more money both now and in the future;
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.
- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;

If any of these risks were to materialise, our business and results of operations may be adversely affected. For more information about the indebtedness, please refer to sections titled “*Financial Statement, as Restated*” beginning on page 158 of the Draft Prospectus.

12. Our business operations require a considerable amount of working capital as well as investment in plant and equipment and we may be unable to adequately finance such capital needs through cash generated from our operations, advances from customers and bank borrowings

We require a considerable amount of working capital to execute our EPC projects. In particular, we may not receive cash flows from execution of our EPC contracts that correspond to cost we incur in executing the projects. Consequently, we have been and will continue to be required to fund our working capital requirements for completion of EPC projects through borrowings. For the period ended September 30, 2018 our outstanding borrowings for working capital purposes were Rs. 995.33 Lakhs. As we continue to undertake EPC projects of increasing size, our working capital requirements will increase and we may become more susceptible to fluctuations in working capital requirements and cash flows and, in particular,

may be more susceptible to liquidity issues due to delays in executing large EPC projects that causes us not to reach milestone payments in a manner that corresponds with our costs of implementing such large EPC projects.

The details of our working capital in last five years are as under which is showing continuous increase:

(Rupees in Lakh)

Particulars	31.03.2016	31.03.217	31.03.2018	30.09.2018
A. Current Assets				
Inventories	294.49	330.72	632.62	1,071.36
Trade Receivables	700.35	1,307.23	1,514.52	1,258.76
Cash and Cash Equivalents	471.35	324.80	458.76	523.20
Short-term loans and advances	886.79	953.22	1,058.14	1,100.20
Total (A)	2,352.98	2,915.97	3,664.04	3,953.52
B. Current Liabilities				
Trade Payables	727.14	999.65	1,355.15	1,178.27
Other current Liabilities	495.26	555.88	637.81	814.42
Short Term Provisions	51.09	46.80	49.65	49.64
Total (B)	1,273.49	1,602.33	2,042.61	2,042.33
Net Working Capital (A)-(B)	1,079.49	1,313.64	1,621.43	1,911.19

In the past, we have financed our working capital primarily through cash generated from our operations and borrowings. As our business expands we may increasingly be required to obtain funding through banks, financial institutions or by way of other borrowings, which may not be available on terms acceptable to us, if at all. Additionally, there can be no assurances that we will be able to service our existing or future indebtedness through cash flows or new borrowings.

13. We have duly applied for registration of our Logo but it is still pending for approval. Being unregistered our intellectual property rights may be infringed upon. In case of no registration our brand building efforts may be hampered which might lead to an adverse effect on our business.



We have made applications for registration of our Logo/trademark under the Trademarks Act, 1999 for getting the same registered. In case of rejection of said applications, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks. We have been using our registered Trademark to conduct our business. However, there is no assurance that our trademark will not be infringed upon. Depending on whether we are able to discover any such infringement of our trademark or successfully enforce our legal rights in the jurisdictions where such infringements may occur, our business and branding may suffer as a result of any misuse of our trademark. In such circumstances, our reputation and business may be adversely affected. Further, if we decide to pursue action against such infringements to protect our reputation, it could result in diversion of our resources and our financial results may be adversely affected. Similarly, we may also infringe the intellectual property rights of third parties in the use of our trademark in our operations. Although we are not aware of any such infringement by us, there is no assurance that we will not infringe or have not infringed the intellectual property rights of any third party. In the event of any such infringement, we may be subject to our claims or actions and our business, reputation, financial condition and results of operations may be adversely affected.

14. We are dependent upon third parties to complete many of our contracts.

A portion of the work performed under our EPC contracts, is performed by third party sub-contractors we hire. We also rely on third-party equipment manufacturers or suppliers to provide the equipment and materials used for EPC projects. In all of the contracts, we are responsible for any failure by a third-party sub-contractor to comply with applicable laws, rules and regulations and for then performance under the contract. If we are unable to hire qualified sub-contractors or find competent equipment manufacturers or suppliers, our ability to successfully complete EPC projects could be impaired. If the amount we are required to pay for sub contractors or equipment and supplies exceeds what we have estimated, as our projects are a fixed-price contract, we may suffer losses on these contracts. If a supplier, manufacturer or sub contractor fails to provide supplies, equipment or services as required under a negotiated contract for any reason, we may be required to source these supplies, equipment or services on a delayed basis or at a higher price than anticipated, which could impact contract profitability. These risks may intensify during an economic downturn if our suppliers, manufacturers or sub-contractors experience financial difficulties or find it difficult to obtain sufficient financing to fund their operations and are not able to provide the services or supplies necessary for our business. Further, a failure by a third-party sub-contractor to comply with applicable laws, rules or regulations or to obtain the necessary approvals or provide services in accordance with the contract could negatively impact our business and may result in fines, penalties, suspension or even debarment.

15. The nature of our EPC Business exposes us to defect liability and warranty claims.

Where we are the principal contractor under an EPC contract, we remain responsible for ensuring satisfactory performance under the contract and remain liable to rectify defects. Our EPC contracts typically have defect liability period of 12 months from the date of commissioning. We estimate the amount of liability for warranty claims on the basis of the technical assessment made by the project management team. However, there can be no assurances that such assessment will be adequate to cover the costs we may incur to correct defects for our projects. In particular, we may be liable for the work of our sub-contractors and suppliers. Although we typically receive guarantees, warranties and/or retentions from our sub-contractors and suppliers until the expiry of the defect liability period, there can be no assurances that such guarantees, warranties and/or retentions will prove to be adequate to cover any liabilities which may arise during the defect liability period.

16. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.

We require certain statutory and regulatory approvals, licenses, registrations and permissions, and applications need to be made at the appropriate stages for our business to operate. We have obtained required license for carrying our business activity. Further there can be no assurance that the relevant authorities will issue these approvals or licenses, or renewals thereof in a timely manner, or at all. As a result, we may not be able to execute our business plan as planned. An inability to obtain or maintain approvals or licenses required for our operations may adversely affect our operations. Government approvals, licenses, clearances and consents are often also subject to numerous conditions, some of which are onerous and may require significant expenditure.

Furthermore, approvals, licenses, clearances, and consents covering the same subject matter are often required at State Government levels. If we fail to comply, or a regulator claims that we have not complied,

with these conditions, we may not be able to commence or continue with work. Further, we were a private limited company in the name of “M K Roy & Bros Projects Private Limited” subsequently the name of the Company was changed to “M K Roy & Bros Projects Limited”, for further information in connection with conversion of the Company, please see the section entitled “History and Certain Corporate Matters” on page 126 of this Draft Prospectus. Consequently, the Company is in the process for applying for change of name of these approvals. In case of delay or failure to obtain the same, it could affect our business operations. For further information on various approvals or licenses required in connection with our operations, please see the section entitled “Government and other Statutory Approvals” on page 219 of this Draft Prospectus.

17.The Company is dependent on third party transport facility for business transportation but not having any formal arrangements with the transport service providers and any disruption in their operations or a decrease in the quality of their services or an increase in the transportation costs could adversely affect the Company's operations.

The Company is dependent on third party transport facility for the delivery of its products. Our dependence on third party logistic service providers with no formal arrangement in place to provide transportation facilities for the transfer of our raw material and other things needed, to our project sites. Our business is prone to risk of weather-related problems, strikes or lock-outs by transport service providers and inadequacies in the road infrastructure. In addition, any increase in the charges imposed by the operators of transportation and logistics facilities would significantly impact our costs which consequently affect our results of our operations. Any disruption of any of our transportation routes or facilities may adversely affect our business, financial condition, results of operations and cash flows.

18.Increase in Price of raw materials may adversely affect our profitability.

Our main raw materials are Steel, Paints and Pipes & fittings. We procure paints directly from manufacturers, i.e., Berger Paints Limited and Asian Paints Limited, and Pipes & fittings are procured from the directly from manufacturers which are approved by the clients. We procure steel from the authorized dealers of SAIL and Tata. Steel is our prime material and these are basic raw material used by us for manufacturing our products. Steel production costs are spread amongst many variables such as prices for iron ore, coking coal, limestone etc. Since these are all separate components which cannot be hedged effectively. Any fluctuation in the international price of the components of raw material as aforesaid may affect the price and supply of the raw materials. Therefore, any significant increase in the prices of raw materials due to any reasons, and our inability to pass on increased costs of raw material to our customers or reduction in demand from our customers, may adversely affect our sales and profitability.

19.Our inability to manage growth could disrupt our business and reduce our profitability.

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

20. We are dependent on the key personnel as well as the availability of qualified technical personnel.

We are dependent on certain key senior management, including members of our board and senior management for setting our strategic direction and managing our business. We currently do not maintain key man insurance for any of our management or employees. We are also dependent on a significant number of our employees who are skilled engineers and due to the limited pool of available skilled personnel, we face strong competition to recruit and retain skilled and professionally qualified staff. Our continued future success also depends upon our ability to recruit and retain a large group of experienced professionals and staff. The loss of the services of our senior management, including our Directors, or our inability to recruit, train or retain a sufficient number of experienced personnel could have a material adverse effect on our operations and profitability. Our ability to retain experienced staff members as well as senior management will in part depend on our maintaining appropriate staff remuneration and incentive schemes in accordance with the prevailing private sector industry standards. We cannot assure you that the remuneration and incentive schemes we have in place will be sufficient to retain the services of our senior management and skilled employees.

21. We face intense competition in our businesses, which may limit our growth and prospects.

Our Company faces significant competition from other medium players in the industry. We compete on our core competencies in project management, engineering, construction and time bound completion. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than our Company;
- Pre-qualified based on several criteria including experience, technological capacity and proven track record;
- Size of previous contracts in similar projects;
- More diversified operations which allow profits from certain operations to support others with lower profitability.
- Many large players are also expanding capacities which could lead to increase in competition resulting in competitive pricing.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

22. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into related party transactions with our Promoters and Promoters Group and Directors. While we believe that all such transactions have been conducted on the arms length basis, however it is difficult to ascertain whether more favourable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we will enter into related party transactions in the future. For details of these transactions, please refer to section titled “Related Party Transactions” at page 156 of this Draft Prospectus.

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

Our business operations are subject to operating risks such as performance below expected levels of output or efficiency of our employees. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown of business operations may have a material adverse effect on our business operations and financial conditions.

24. Our insurance coverage may not adequately protect us against certain operating hazards and this may have a material adverse effect on our business.

We have taken insurance cover in respect of our assets & leased premises which may not be adequate enough for covering the entire future unforeseen liabilities. We have not taken any insurance for any claims arising out of our product that might occur in the normal course of business. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time by the insurers. To the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, our business operations and cash flows may be affected. For details on Insurance cover, please see “Insurance” the chapter titled “*Our Business*” beginning on page 95 of this Draft Prospectus.

25. Any Penalty or demand raised by statutory authorities in future will affect our financial position of our Company.

Our Company is engaged EPC business which attracts tax liability such as Income Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, ESIC, etc. Though, we have deposited the required returns and paid taxes thereon under various applicable Acts but any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of our Company.

26. 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.

Post this Issue, our Promoters and Promoter Group will collectively own substantial portion of our Equity Share Capital. As a result, our Promoters, together with the members of the Promoter Group, will continue 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 and our Articles of Association. Such a concentration of ownership may 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 may not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of

default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. Further certain agreements also impose financial and other restrictive covenants such as maintenance of financial ratios, submission of results, etc. 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 consents necessary to take the actions that we believe are required 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. 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.

For further details in this regard, please refer chapter titled “Financial Indebtedness” beginning on page 202 of this Draft Prospectus.

28. Our operations may be adversely affected by work stoppages or increased demands for wages by our workforce or any other unrest or dispute which affects supply of workforce.

While we have not experienced any strikes, work stoppages or increased wage demands in any of our warehouses in the past, but we cannot be certain that we will not suffer any disruption to our operations due to strikes, work stoppages or increased wage demands in the future. Further, if our work force unionizes in the future, collective bargaining efforts by labor unions may divert our management’s attention and result in increased costs. We may be unable to negotiate acceptable collective wage settlement agreements with those workers who have chosen to be represented by unions, which may lead to union-initiated strikes or work stoppages. Further, under Indian law, we may be held liable for wage payments or benefits and amenities made available to “daily wage” workers. Any requirement to discharge such payment obligations, benefits or amenities or to absorb a significant portion of the “daily wage” workers on our own rolls may adversely affect our business, results of operations and financial condition

29. Contracts awarded to us by PSUs are standard form government contracts and contain many terms that favour the PSU.

The counterparties to most of our EPC Business are PSUs. We have had only a limited ability to negotiate the terms of these contracts, which means that many terms in our contracts tend to favour our customers. The relevant terms of certain contracts that we believe present risks to our business are as follows:

- ambiguity whether design review and approval by a customer releases us from design and
- engineering liability, in particular latent defects;
- to the extent defects in site or geological conditions were unforeseen or latent from our
- preliminary investigations, design and engineering prior to submitting a bid, we may assume the risks associated with such defects and may not have any recourse to our customers;
- ambiguity whether liability is excluded for defects arising after the end of the defect liability period;
- our customers discretion to grant time extensions and approve the change order;
- generally the absence of a cap on our liability as contractor;
- ambiguity as to whether we are liable for consequential or economic loss to our customers; and
- our customer’s right to terminate our contracts for convenience.

30. 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 or at all. 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 customers. 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.

31. We are exposed to the risk of delays or non-payment by our clients and other counterparties, which may also result in cash flow mismatches.

We are exposed to counter party credit risk in the usual course of our business dealings with our clients or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners, suppliers and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment or non-performance by our clients, business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows. For further details of our Business and Clients, please refer chapter titled “Business Overview” and “Management Discussion & Analysis of Financial Conditions and Result of Operation” beginning on page 95 & 204 of this Prospectus.

32. Any inability on our part to procure and sell quality products that we trade and satisfy our customer needs could adversely impact our business, results of operations and financial condition.

Quality control is a vital element for any industry whether primary, secondary, tertiary or quaternary. Our major customers are PSUs operating in Oil and Gas sector from whom we get orders on tender basis and they have set the minimum quality standard which has to be provided in any case. Further, we have to fulfil specific product demands of customers. Therefore, any deficiency in the standards of quality we provide may cause us loss of our customer and also cause damage of goodwill. Further any failure to meet customer specifications will result in unsatisfied customer. Any rapid change in our customers’ expectation on account of changes in technology or introduction of new product or any other reason and failure on our part to meet their expectation could adversely affect our business, results of operations and financial condition. Any failure on our part to successfully meet customer demand or preference may negatively affect our business, results of operation and financial condition. For further details of our revenue, see “Our Business” on page no. 95 of this Draft Prospectus.

33. Material adverse impact on the performance of Our Company if any adverse event occurs in the industries in which our customers operate.

Our Company primarily operate in Oil & Gas Industry. Our business growth depends on continued demand for our products from users of these industries. Any slowdown in these industries or introduction of regulations that restrict or discourage companies from using our products could result in a decrease in the demand and materially adversely affect our business, financial condition and results of operations.

34. Our Promoters have given personal guarantees in relation to certain debt facilities provided to us.

Our Promoters have given personal guarantees in relation to all our secured debt facilities. In the event our Promoters withdraw or terminate their guarantee, 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.

35. Our growth will depend on our ability to build our brand and failure to do so will negatively impact our ability to effectively compete in this industry.

We believe that we need to continue to build our brand, which will be critical for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. The brand promotion activities that we may undertake may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we are unable to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

36. Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them or their relatives or our Group Entities and benefits deriving from their directorship in our Company. For further details, please refer to the chapters titled “Our Business”, “Our Promoters and Promoter Group” and “Related Party Transactions” beginning on page 95, 145 and 156 respectively of this Draft Prospectus.

37. Interest rate fluctuations may adversely affect the Company's business.

The Company has entered into certain borrowing arrangements to finance its capital requirements in the ordinary course of business. In the future, the Company may be required to enter into additional borrowing arrangements in connection with potential acquisitions or for general working capital purposes. In the event interest rates increase, the Company's costs of borrowing will increase, and its profitability and results of operations may be adversely affected.

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

Our capacity to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business there is significant importance to find, hire, train, supervise and manage efficient employees and also to establish such process of business operations which is proficient enough to effectively achieve our growth. Instead of putting keen efforts, as mentioned here, we cannot assure 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 is also possible that the strategies used by us in the future may be different from those presently in use.

39. Our inability to manage growth could disrupt our business and reduce profitability.

A principal component of our strategy is to continuously grow by expanding the capacity, size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

40. Any negative publicity or defect in product quality may cause the Company substantial costs which in turn could adversely affect our goodwill and our sales could be diminished.

Like any other business our business also relies on our product quality which enables us to gain customer trust. In this scenario it is very crucial for us to always maintain positive image of the Company. Any unfavourable publicity regarding our Company, brand, or facility we provide or any other unpredicted events could affect our reputation and our results from operations. Further, defective products may result in a claim against us for damages. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

B. Risk related to this Issue and our Equity Shares

41. Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 69 of this Draft 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.

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 69 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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, 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 capital funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds could adversely affect our growth plans. We meet our capital requirements through our internal accruals and debt. Any shortfall in our internal accruals and our inability to raise debt would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 69 of this Draft Prospectus.

43.The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price.

Our promoter average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mihir Kumar Roy	9,16,950	12.04
Sulekha Roy	3,72,050	5.08

For further details regarding average cost of acquisition of Equity Shares by our promoters in our Company, please refer to the chapters “Capital Structure” beginning on page 53 of this Draft Prospectus.

44.Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

45.In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.

The funds that we receive would be utilized for the objects of the Issue as has been stated in the section “Objects of the Issue” on page 69 of this Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue this may affect our revenues and results of operations.

We have not identified any alternate source of raising the funds required for our ‘Objects of the Issue’. Any shortfall in raising/meeting the same could adversely affect our growth plans, operations and financial performance. Our Company has not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds may require us to borrow the funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the Company.

46. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our management and our Board of Directors, though it shall be monitored by our Audit Committee.

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only if Issue size exceeds Rs. 10,000 Lakh. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the Companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

47. Industry information included in this Draft Prospectus has been derived from industry reports commissioned by us for such purpose. 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 Draft 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.

48. Dividend declaration by the Company in the future will depend upon 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. Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. 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.

49. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors'

shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

Following the Issue, we will be subject to a daily “circuit breaker” imposed by NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Adverse media reports on Company or pertaining to our Industry;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

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

52. 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 76 of this Draft 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.

EXTERNAL RISKS

53.Natural calamities and changing weather conditions caused as a result of global warming could have a negative impact on the Indian economy and consequently impact our business and profitability.

Natural calamities such as draughts, floods, and earthquakes could have a negative impact on the Indian economy and may cause suspension to our operations, which may adversely impact our business and our operating results. India's being a monsoon driven economy, climate change caused due to global warming bringing deficient / untimely monsoons could impact Government policy which in turn would adversely affect our business.

54.We are subject to fluctuations in interest rates.

The Group's net profit is affected by changes in interest rates due to the impact such changes have on interest income from short-term deposits and other interest-bearing financial assets and liabilities and interest expense on the Company's long-and short-term borrowings. In addition, an increase in the interest rates for the Company's existing and future borrowings may adversely affect its ability to service long-term debt and to finance development of new projects, all of which in turn may adversely affect its results of operations, financial condition, planned capital expenditure and cash flows. In particular, substantially all of our outstanding indebtedness bears floating rates of interest. We do not hedge our interest rate exposure.

55.Failure to comply with extensive governmental regulations pertaining to employee safety and health may materially and adversely affect our business and results of operations

We are required to comply with various central, state laws and regulations relating to, health and safety as well as laws and regulations governing our relationship with our employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Compliance with these requirements imposes significant costs on us and can result in reduced productivity. We may incur substantial costs to comply with requirements of such laws and regulations.

We enter into contracts with independent contractors to complete specified assignments and these contractors are required to provide labour necessary to complete such assignments. Although we do not engage such labour directly, it is possible under Indian law that we may be held responsible for wage payments to labour engaged by contractors, should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our business, financial condition and results of operations. Furthermore, pursuant to the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, we may be required to absorb a portion of such contract labourers as our employees.

We must compensate employees for work-related injuries. If we do not make adequate provisions for our workers' compensation liabilities, it could harm our future operating results. The erosion through tort

liability of the protections we are currently accorded by workers' compensation laws could increase our liability for work-related injuries and materially and adversely affect our operating results. If new laws or regulations increase the number and award size of claims, it could materially and adversely harm our business. See the section “Key Industry Regulations and Policies” beginning on page 114 of this Draft Prospectus.

56. The continued growth of our business is dependent on private investment into India's oil and gas and infrastructure sectors

The growth of our business is in part dependent on private investment in India's oil and gas and infrastructure sectors, which, in turn is dependent on Government policies that successfully facilitate and encourage private sector investment in infrastructure. Many of these programmes and policies are evolving and their success will depend on effective implementation of these programmes. Additionally, we believe that these programmes will need continued support from stable and experienced regulatory regimes that not only stimulate and encourage the continued movement of private capital into infrastructure development, but also result in appropriate allocation of risk, transparency, effective dispute resolution and more efficient services to the end user.

We believe that the availability of private sector capital and the continued growth of the infrastructure sector is also linked to continued growth of the Indian economy, income levels and the extent to which end users would be willing to pay or can be induced to pay for infrastructure services. If the central and state governments' initiatives and regulations in the infrastructure sector do not proceed in the desired direction or if there is a slowdown in the Indian economy, this may have a material adverse effect on our business, prospects, financial condition and results of operations.

57. A reduction in rate of economic growth in India may have a material adverse effect on our business, prospects, financial condition and results of operations

Whole of our business is located in India and 100% of our revenues is derived from the domestic market. The performance and the quality of growth of our business is necessarily dependent on the overall health of the Indian economy.

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

58. The Goods and Services Tax (GST) regimes by the Government of India may have material impact on our operations.

The Government of India has enacted a comprehensive National Goods and Services Tax (GST) regime that will combine taxes and levies by the Central and State Governments into unified rate structure. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Given the limited availability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

59. 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, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, 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.

60. Tax rates applicable to Our Company may increase and may have an adverse impact on our business.

Any increase in the tax rates including surcharge and education cess applicable to us may have an adverse impact on our business and results of operations and we can provide no assurance as to the extent of the impact of such changes.

61. Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

62. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

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. Terrorist attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The NSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given

regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

64. Terrorist attacks and other acts of violence or war involving India and other countries could adversely affect the financial markets, result in a loss of business confidence and reduced investment in these countries that could have a material adverse effect on our business, prospects, financial condition and results of operations

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets in which the Equity Shares trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately adversely affect our business.

Certain events that are beyond our control, such as terrorist attacks and other acts of violence or war, including those involving India, China, the United Kingdom, the United States or other countries, may adversely affect worldwide financial markets, which could adversely affect our business, prospects, financial condition and results of operations, and more generally, any of these events could lower confidence in India's economy. South Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries. Any deterioration in relations between India and its neighbouring countries may result in actual or perceived regional instability. As a result, our business, prospects, financial condition and results of operations could be materially adversely affected by any such events.

PROMINENT NOTES

1. The Public Issue of 6,53,000* Equity Shares of face value of Rs.10/- each fully paid for cash at a price of [●] per Equity Share aggregating [●] Lakhs ("the Issue"). Issue of Equity Shares will constitute [●] % of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "*The Issue*" on page 42 of this Draft Prospectus.

**Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.*

2. The Net Worth of our Company is Rs.1,426.06 Lakhs, Rs.1,131.22 Lakhs and Rs.952.02 Lakhs as on March 31, 2018, March 31, 2017 and March 31, 2016, respectively. The Book Value of each Equity Share is Rs.79.25, Rs.62.87 and Rs.52.91 as on March 31, 2018, March 31, 2017 and March 31, 2016, respectively as per the restated standalone financial statements of our Company. For more information, please refer to section titled "*Financial Statement, as Restated*" beginning on page 158 of this Draft Prospectus.
3. The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Mihir Kumar Roy	9,16,950	12.04
Mrs. Sulekha Roy	3,72,050	5.08

4. For details of Related Party Transactions entered into by our Company, please refer to the chapter titled

“Related Party Transactions” beginning on page 156 of this Draft Prospectus.

5. Except as disclosed in the chapter titled “Capital Structure”, “Our Promoters and Promoter Group” and “Our Management” beginning on page 53, 145 and 130 respectively, of this Draft Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.
6. Except as disclosed in the chapter titled “Capital Structure” beginning on page 53 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
7. Investors may contact the LM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Compliance Officer, please refer to the chapter titled “General Information” beginning on page 46 of this Draft Prospectus.
8. Investors are advised to refer to chapter titled “Basis for Issue Price” on page 76 of this Draft Prospectus.
9. Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.
10. There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Prospectus.
11. Except as stated in the chapter titled “Our Group Entities” beginning on page 151 and chapter titled “Related Party Transactions” beginning on page 156 of this Draft Prospectus, our Group Entities have no business interest or other interest in our Company.
12. Investors may note that in case of over-subscription in the Issue, allotment to Retail Applicants and other Applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “Issue Structure” beginning on page 269 of this Draft Prospectus.

SECTION – IV INTRODUCTION

THE ISSUE

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	Upto 6,53,000* Equity Shares of face value of Rs. 10/- each fully paid-up for cash at price of Rs.[●] per Equity Share aggregating to Rs. [●] Lakhs
Of which:	
Reserved for Market Makers	Upto 33,000* Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] per Equity Share aggregating to Rs.[●] Lakhs
Net Issue to the Public	Upto 6,20,000* Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] per Equity Share aggregating to Rs.[●] Lakhs.
Of which:	
Retail Investors Portion**	Upto 3,10,000* Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] per Equity Share aggregating to Rs.[●] Lakhs, i.e. 50% of the Net Issue shall be available for allocation for Retail Individual Investors.
Non-Retail Investors Portion**	Upto 3,10,000* Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs.[●] per Equity Share aggregating to Rs.[●] Lakhs, i.e. 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
Pre-and Post-Issue Equity Shares:	
Equity Shares outstanding prior to the Issue	17,99,400 Equity Shares of Rs.10/- each
Equity Shares outstanding after the Issue	24,52,400 Equity Shares of Rs.10/- each
Use of Proceeds	For further details please refer chapter titled “Objects of the Issue” beginning on page no. 69 of this Draft Prospectus for information on use of Issue Proceeds

**Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.*

***As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a fixed price issue the allocation is the net offer to the public category shall be made as follows:*

- a) Minimum fifty percent to retail individual investor; and
- b) Remaining to:
 - i. Individual applicants other than retail individual investors; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

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

Subject to valid applications being received, under-subscription, if any, in the Retail and Non-Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the LM and the NSE.

Notes

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled ‘Issue Structure’ beginning on page no. 269 of this Draft Prospectus.

SUMMARY OF OUR FINANCIAL INFORMATION

The following tables set forth summary financial information derived from restated financial statements as of and for the financial years ended March 31, 2016, 2017 and 2018 and for the period ended September 30, 2018. These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and presented under the section titled “*Financial Information*” beginning on page number 158 of the Draft Prospectus. The summary financial information presented below should be read in conjunction with the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” and “*Financial Information*” beginning on page numbers 204 and 158, respectively of the Draft Prospectus.

Summary of Statement of Standalone Assets and Liabilities as Restated

(Rs. in Lakhs)

Particulars		Annexure	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
I.	EQUITY AND LIABILITIES					
1	Shareholders’ funds					
	(a) Share capital	6	179.94	179.94	179.94	179.94
	(b) Reserves and surplus	7	772.07	951.27	1,246.11	1,465.15
2	Non-current liabilities					
	(a) Long-term borrowings	8	7.45	18.59	254.29	357.80
	(b) Deferred tax liabilities (Net)	9	-	-	-	-
3	Current liabilities					
	(a) Short-term borrowings	10	669.11	890.23	1,003.02	995.33
	(b) Trade payables	11	727.14	999.65	1,355.16	1,178.27
	(c) Other current liabilities	12	495.26	555.88	637.80	814.42
	(d) Short-term provisions	13	51.09	46.80	49.64	49.64
	TOTAL		2,902.06	3,642.36	4,725.96	5,040.55
II.	ASSETS					
1	Non-current assets					
	(a) Fixed assets	14				
	(i) Tangible assets		299.51	377.25	395.34	395.22
	(b) Deferred tax Assets		4.56	4.21	4.44	5.47
	(c) Non Current Investments	15	110.70	317.46	634.32	645.92
	(d) Long-term loans and advances	16	134.31	27.47	27.82	40.42
2	Current assets					
	(a) Inventories	17	294.49	330.72	632.62	1,071.36
	(b) Trade receivables	18	700.35	1,307.23	1,514.52	1,258.76
	(c) Cash and cash equivalents	19	471.35	324.80	458.76	523.20
	(d) Short-term loans and advances	20	886.79	953.22	1,058.14	1,100.20
	TOTAL		2,902.06	3,642.36	4,725.96	5,040.55

Summary of Statement of Standalone Profit and Loss Account as Restated

(Rs. in Lakhs)

Particulars		Annexure	For the period ended			
			31 March 2016	31 March 2017	31 March 2018	30 September 2018
I	Revenue from operations	22	4,419.30	4,590.85	5,937.38	2,940.56
II	Other income	23	58.04	45.31	58.88	51.73
III	Total Revenue		4,477.34	4,636.16	5,996.26	2,992.29
IV	Expenses:					
	Cost of materials consumed	24	1,240.78	1,516.40	2,143.99	1,075.70
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	25	(88.58)	26.97	(319.64)	(341.59)
	Employee benefits expense	26	381.18	369.48	532.90	356.83
	Finance costs	27	142.33	118.79	171.83	76.44
	Depreciation and amortization expense		44.68	45.39	53.16	28.29
	Other expenses	28	2,491.96	2,231.35	2,916.10	1,502.11
	Total expenses		4,212.35	4,308.38	5,498.34	2,697.78
V	Profit before exceptional and extraordinary items and tax		264.99	327.78	497.92	294.51
VI	Exceptional Items		-	-	-	-
VII	Profit before extraordinary items & tax		264.99	327.78	497.92	294.51
	Extraordinary Items		-	-	-	-
IX	Profit before tax		264.99	327.78	497.92	294.51
X	Tax expense:					
	(1) Current tax		85.00	105.00	160.00	76.50
	(2) Deferred tax		(2.43)	0.36	(0.23)	(1.03)
	Total Tax Expenses		82.57	105.36	159.77	75.47
XV	Profit (Loss) for the period		182.42	222.42	338.15	219.04
VIII	Earnings per equity share: (in Rs.)					
	(1) Basic		10.17	12.39	18.84	12.17
	(2) Diluted		10.17	12.39	18.84	12.17

Restated Statement of Standalone Cash Flows

(Rs. in Lakhs)

#	Particulars	For the period ending on			
		31.03.16	31.03.17	31.03.18	30.09.18
A.	Cash flow from Operating Activities				
	Net Profit Before tax as per Statement of Profit & Loss	264.99	327.74	497.93	294.51
	Adjustments for :				
	Depreciation & Amortisation Exp.	44.68	45.39	53.16	28.29
	Proposed Dividend	-35.99	-35.99	-35.99	-
	Operating Profit before working capital changes	273.68	337.14	515.10	322.80
	Changes in Working Capital				
	Decrease/(Increase) in Trade and Other Receivables	-55.49	-606.88	-207.29	255.75
	Increase/(Decrease) in Trade and Other Payable	211.74	333.13	437.43	-0.27
	(Increase)/Decrease in Stock	-108.49	-36.24	-301.90	-438.72
	(Increase)/Decrease in Other Current Assets	-120.19	-66.43	-104.92	-42.06
	(Increase)/Decrease in Short Term Borrowings	-144.86	221.14	112.79	-7.68
	(Increase)/Decrease in Short Term Provision	-6.57	-4.29	2.85	0.00
		-223.86	-159.57	-61.04	-232.98
	Net Cash Flow from Operation	49.82	177.57	454.06	89.82
	Direct Taxes Paid (net of refunds)	-94.10	-105.00	-160.00	-76.50
	Tax on Proposed Dividend	-7.20	-7.20	-7.33	-
		-101.30	-112.20	-167.33	-76.50
	Net Cash Flow from Operating Activities (A)	-51.48	65.37	286.73	13.32
B.	Cash flow from investing Activities				
	Purchase of Fixed Assets	-80.04	-123.14	-71.25	-28.18
	Short Term Loans & Advances	-	-	-	-
	Purchase of Investments	-	-206.76	-316.86	-11.60
	Sale of Investments	-	-	-	-
	Long Term Loans & Advances	-75.00	106.84	-0.35	-12.60
	Deferred Tax	-	-	-	-
	Net Cash Flow from Investing Activities (B)	-155.04	-223.06	-388.46	-52.38
C.	Cash Flow From Financing Activities				
	Proceeds from Long term Borrowings from Bank	-6.42	11.14	235.69	103.51
	Net Cash Flow from Financing Activities (C)	-6.42	11.14	235.69	103.51
D.	Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)	-212.94	-146.55	133.96	64.45
E.	Opening Cash & Cash Equivalents	684.25	471.35	324.80	458.76
F.	Cash and cash equivalents at the end of the period	471.31	324.80	458.76	523.21
G.	Cash And Cash Equivalents Comprise :				
	Cash	1.77	0.15	0.23	1.04
	Bank Balance :				
	Current Account	1.10	1.88	12.16	1.50
	Fixed Deposit	468.48	322.77	446.37	520.66
	Total	471.35	324.80	458.76	523.20

Notes :

1. The above Restated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
2. For Restated Cash and Cash Equivalents refer to Annexure No. 19 to the Restated Balance Sheet.

GENERAL INFORMATION

Our Company was originally incorporated as M K Roy & Bros Projects Private Limited, as a private limited company, under the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2000, bearing registration number “092689” issued by the Registrar of Companies, West Bengal at Kolkata. Subsequently our Company was converted into a public company and consequently the name of the Company was changed to M K Roy & Bros Projects Limited vide a fresh Certificate of Incorporation consequent upon the change of name dated December 13, 2018 was issued by the Registrar of Companies, West Bengal at Kolkata. The Corporate Identification Number of our Company is U45209WB2000PLC092689.

Brief Information on Company and Issue

Registered Office	68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319 Tel: +91-33-24703898 Fax: N.A. E-mail:cs@mkroyprojects.com; Website:www.mkrbppl.com		
Date of Incorporation	December 11, 2000		
CIN	U45209WB2000PLC092689		
Company Category	Company limited by Shares		
Registrar of Company	Kolkata, West Bengal Nizam Palace, II- MSO Building, II- Floor, 234/4, A.J.C.B. Road, Kolkata - 700020 Phone: 033-2287 7390; Fax 033-22903795; Email: roc.kolkata@mca.gov.in		
Company Secretary and Compliance Officer	Mr. Shakeel Ahmed 68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319 Tel: +91-33-24703898 Fax: N.A. E-mail:cs@mkroyprojects.com		
Chief Financial Officer	Mr. Dipak Kumar Das 68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319 Tel: +91-33-24703898 Fax: N.A. E-mail: dipak@mkroyprojects.com		
Designated Stock Exchange	National Stock Exchange of India Limited (EMERGE Platform) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) , Mumbai – 400051; Email : emerge@nse.co.in		
Issue Programme*	Issue Opens On:	[●]	Issue Closes On: [●]

**Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays).*

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE & SHARE ESCROW AGENT
CORPORATE CAPITAL VENTURES PVT. LTD. SEBI Registration No.: INM000012276 Address: 160, Lower Ground Floor, Vinoba Puri, Lajpat Nagar – II, New Delhi – 110024 Tel No.: +91-11-41704066; Fax No.: N.A. Email: investors@ccvindia.com Website: www.ccvindia.com Contact Person: Mr. Tushar Shukla/Mr. Pramod Negi	SKYLINE FINANCIAL SERVICES PVT. LTD. SEBI Registration No.: INR000003241 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi – 110 020 Tel No: +91 11 26812682/+91 11 40450193-97 Fax No: +91 11 26812683 Website: www.skylinerta.com Email: viren@skylinerta.com Contact Person: Mr. Virender Rana
PRINCIPAL BANKERS TO THE COMPANY	LEGAL ADVISOR TO THE COMPANY
DENA BANK Address: 525, M. G. Road, Budge Budge, Kolkata – 700137 Tel No: +91 33 24701566/5108 E-mail: budgeb@denabank.co.in Website: www.denabank.com Contact Person: Mr. Debashish Gupta, Chief Manager	Ms. TITASH MUKHERJEE , Advocate Bar Council Membership No. F/1453/2012 6, Old Post Office Street, Basement Room No. 8 & 9 Kolkata – 700001 Email: mukherjeetitash89@gmail.com Mobile No: +91 9836126557
MARKET MAKER	BANKERS TO THE ISSUE AND REFUND BANKER
[•]	[•]
AUDITORS OF THE COMPANY & PEER REVIEW AUDITOR OF THE COMPANY	
JAIN SINGH & CO., Chartered Accountants ICAI FRN: 307135E; Membership No: 059492 Address: P-41, Princep Street, 5th Floor, Room No. 503, Kolkata-700072 Tel: +91 33 40054396; Fax: +91 33 22345096 Email: jainsingh_co@yahoo.co.in Contact Person: Mr. Anuj Kumar	

DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

#	Name and Designation	DIN	Address
1.	Mr. Mihir Kumar Roy <i>Managing Director and Chairman</i>	00334729	26/7, Shahid Khudiram Bose Road Budge Budge, South 24 Parganas, Kolkata - 700137
2.	Ms. Sulekha Roy <i>Whole-time Director (Executive)</i>	00334885	26/7, Shahid Khudiram Bose Road Budge Budge, South 24 Parganas, Kolkata - 700137
3.	Ms. Pritha Roy <i>Whole-time Director (Executive)</i>	06396602	26/7, Shahid Khudiram Bose Road Budge Budge, South 24 Parganas, Kolkata - 700137
4.	Mr. Dhananjay Kumar <i>Independent Director</i>	03499130	Flat No.703, Beach Apart. Seven Bungalows, J P Road, Near Picnic Cottage, Andheri West, Mumbai - 400061
5.	Mr. Suresh Chandra Singh <i>Independent Director</i>	08225440	Flat 14D, Tower -3, Diamond City, South, 58, M G Road Tollygunge, Kolkata – 700041
6.	Mr. Pradosh Kiran Majumder <i>(Non- Executive Director)</i>	08340229	87/19/1, Bose Pukur Road, Kasba, Circus Avenue, Kolkata 700042 WB IN

For further details of our Directors, please refer chapter titled “Our Management” beginning on page 130 of this Draft Prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, Skyline Financial Services Private Limited and / or the Lead Manager, i.e., Corporate CapitalVentures Private Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.

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

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. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer 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 OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum 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 Bid cum 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 Bid cum 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.

STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Corporate Capital Ventures Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

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 SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

BROKERS TO THE OFFER

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

EXPERT OPINION

Except the report of the Statutory Auditor on (a) the restated financial statements; and (b) statement of tax benefits, included in this Draft Prospectus, our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

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

APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Lakh)	% of the Total Issue Size Underwritten
Corporate Capital Ventures Private Limited SEBI Registration No.: INM000012276 160, Lower Ground Floor, Vinoba Puri, Lajpat Nagar – II, New Delhi – 110 024 Tel.: +91114170 4066; Fax: Not Available E-mail: info@ccvindia.com ; Website: www.ccvindia.com Contact Person: Mr. Tushar Shukla/Mr. Pramod Negi	6,53,000*	[●]	[●]

**Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.*

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

FILING OF DRAFT PROSPECTUS

A soft copy of the Draft Prospectus shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> as per Regulation 246(1) of SEBI (ICDR) Regulations and SEBI shall not issue any observation on the offer document in terms of Regulation 246(2) of SEBI ICDR Regulations.

A copy of the Prospectus along with the documents required to be filed under Section 26 read with Section 32 of the Companies Act will be delivered to the RoC situated at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata – 700020.

CHANGE IN THE AUDITOR DURING LAST 3 YEAR

There are no changes in the Auditor during last three (3) years as on date of this Draft Prospectus.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE EMERGE on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE EMERGE, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager have entered into a tripartite agreement dated [●] with [●], the Market Maker for this Issue, duly registered with NSE EMERGE to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
4. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
5. 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.
6. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
7. 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five 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.

8. **Risk containment measures and monitoring for Market Makers:** Emergence of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
9. **Punitive Action in case of default by Market Makers:** Emergence of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

Price Band and Spreads: Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets 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 Crore To Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

The Marketing 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/NSE from time to time.

CAPITAL STRUCTURE

Certain forms and resolutions filed with Registrar of Companies (prior to 2006), bank statements of the Company and transfer forms are not traceable by our Company. With respect to changes in capital structure these include forms and resolutions for increase in authorised share capital, share capital allotment, annual returns, etc. Hence, this chapter is prepared based on ROC search report, data provided by management and to the best of information available.

The Equity Share capital of our Company, as on the date of this Draft Prospectus is set forth below:

#	Particulars	Amount (Rs. in Lakhs)	
		Aggregate nominal value	Aggregate value at Offer Price
A.	Authorised Share Capital		
	30,00,000 Equity Shares of Rs.10 each	300.00	--
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	17,99,400 Equity Shares of Rs.10 each	179.94	--
C.	Present Issue in terms of the Draft Prospectus		
	Offer of 6,53,000* Equity Shares of Rs.10 each at a Price of Rs. [●] per Equity Share	65.30	[●]
	Consisting of:		
	Reservation for Market Maker 33,000 Equity Shares of Rs.10 each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	3.30	[●]
	Net Issue to the Public – 6,20,000 Equity Shares of Rs.10 each at a price of Rs. [●] per Equity Share	62.00	[●]
	Of the Net Issue to the Public		
	Allocation to Retail Individual Investors 3,10,000 Equity Shares of Rs.10 each at a price of Rs. [●] per Equity Share shall be available for allocation for Investors applying for a value of up to Rs.2.00 Lakhs.	31.00	[●]
	Allocation to Other than Retail Individual Investors 3,10,000 Equity Shares of Rs.10 each at a price of Rs. [●] per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs.	31.00	[●]
D.	Issued, Subscribed and Paid-up Share Capital after the Issue		
	[●] Equity Shares of Rs. 10 each	[●]	
E.	Securities Premium Account		
	Before the Issue		39.60
	After the Issue		[●]

*Number of Shares to be issued may need to be modified before filing with ROC for adjustment of Lot Size upon finalization of Issue Price.

The present Issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated December 13, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on December 15, 2018.

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorised Share Capital:

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 Shareholders' Meeting	AGM/ EGM
From	To		
Rs.25,00,000 consisting of 2,50,000 Equity shares of Rs. 10 each.		On incorporation	-
Rs.25,00,000 consisting of 2,50,000 Equity shares of Rs.10 each.	Rs.50,00,000 consisting of 5,00,000 Equity shares of Rs.10 each.	May 30, 2003	EGM
Rs.50,00,000 consisting of 5,00,000 Equity shares of Rs.10 each..	Rs.1,00,00,000 consisting of 10,00,000 Equity shares of Rs.10 each.	February 01, 2006	EGM
Rs.1,00,00,000 consisting of 10,00,000 Equity shares of Rs.10 each	Rs.1,25,00,000 consisting of 12,50,000 Equity shares of Rs.10 each.	March 01, 2008	EGM
Rs.1,25,00,000 consisting of 12,50,000 Equity shares of Rs.10 each.	Rs.2,00,00,000 consisting of 20,00,000 Equity shares of Rs.10 each.	December 05, 2009	EGM
Rs.2,00,00,000 consisting of 20,00,000 Equity shares of Rs.10 each.	Rs.3,00,00,000 consisting of 30,00,000 Equity shares of Rs.10 each.	December 21, 2018	EGM

2. History of Equity Share Capital of our Company

Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid -up Capital (Rs.)	Cumulative Securities premium (Rs.)
December 11, 2000	2,000	10	10	Cash	Subscription ⁽¹⁾	2,000	20,000	Nil
December 12, 2001	2,31,400	10	10	Conversion of loan into equity shares	Further Allotment ⁽²⁾	2,33,400	23,34,000	Nil
June 02, 2003	1,70,000	10	10	Cash	Further Allotment ⁽³⁾	4,03,400	40,34,000	Nil
March 31, 2006	1,32,000	10	40	Cash	Further Allotment ⁽⁴⁾	5,35,400	53,54,000	39,60,000
March 31, 2008	6,00,000	10	10	Cash	Further Allotment ⁽⁵⁾	11,35,400	1,13,54,000	39,60,000
March 31, 2010	6,64,000	10	10	Cash	Further Allotment ⁽⁶⁾	17,99,400	1,79,94,000	39,60,000

- (1) Initial Subscribers to Memorandum of Association hold 2,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1	Mihir Kumar Roy	1,000
2	Sulekha Roy	1,000
	Total	2,000

- (2) The Company allotted 2,31,400 Equity Shares of face value of Rs. 10/- each in pursuant to conversion of loan into equity shares as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1	Mihir Kumar Roy	1,15,700
2	Sulekha Roy	1,15,700
	Total	2,31,400

- (3) The Company allotted 1,70,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1	Mihir Kumar Roy	1,70,000
	Total	1,70,000

- (4) The Company allotted 1,32,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs 30/- as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Puja Roy	9,000
2	Mihir Kumar Roy	62,500
3	Gulab Merchandise Pvt. Ltd.	7,500
4	Alex Polymers Pvt. Ltd.	8,750
5	J P S Enterprises Pvt. Ltd.	8,000
6	Barbarik Vyanijya Pvt. Ltd.	10,000
7	Ivory Tie Up Pvt. Ltd.	12,500
8	Medhavi Goods Pvt. Ltd.	5,000
9	Netikta Vyapaar Pvt. Ltd.	8,750
	Total	1,32,000

- (5) The Company allotted 6,00,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Anuraj Tie Up Pvt. Ltd.	50,000
2	Classic Goods Pvt. Ltd.	50,000
3	Exclusive Vinimay Pvt. Ltd.	50,000
4	Flexible Tradelink Pvt. Ltd.	50,000

5	Kaberi Commotrade Pvt. Ltd.	50,000
6	Basukinath Vyanjiya Pvt. Ltd.	60,000
7	Dolphin Barter Pvt. Ltd.	50,000
8	Padamprabhu Dist. Pvt. Ltd.	50,000
9	Barbarik Vyamijya Pvt. Ltd.	50,000
10	Mihir Kumar Roy	1,40,000
	Total	6,00,000

- (6) The Company allotted 6,64,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No.	Name of Allottees	No. of Shares Allotted
1	Mihir Kumar Roy	1,54,000
2	Subhra Jashu	60,000
3	Vanaspati Vinimay Pvt. Ltd.	1,00,000
4	Olympus Merchants Pvt. Ltd	1,20,000
5	Calendula Vincom Pvt. Ltd.	1,30,000
6	Terminal Sales Pvt. Ltd.	1,00,000
	Total	6,64,000

3. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except as given below:

Date of allotment	Name of Allottees	Nature of Consideration	No. of Shares Allotted
December 12, 2001	Mihir Kumar Roy	Conversion of loan into equity	1,15,700
December 12, 2001	Sulekha Roy	Conversion of loan into equity	1,15,700
	Total		2,31,400

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 and Sections 230 to 234 of the Companies Act, 2013.
5. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Our Company has not made Right Issue, at any point of time since Incorporation.
7. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme 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.

9. Shareholding of the Promoters of our Company

As on the date of the Draft Prospectus, our Promoters – Mr. Mihir Kumar Roy and Mrs. Sulekha Roy hold total 12,89,000 Equity Shares representing 71.63% of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters

Date of Allotment / acquisition / transaction and when made fully paid up	Nature of acquisition (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital
Mihir Kumar Roy							
On Incorporation	Subscriber to MOA	1,000	10	10.00	Cash	-	0.06%
December 12, 2001	Sale	(100)	10	10.00	Cash	Dipak Kumar Das	(0.01%)
December 12, 2001	Allotment	1,15,700	10	10.00	Other than Cash		6.43%
June 02, 2003	Allotment	1,70,000	10	10.00	Cash	-	9.45%
March 31,2006	Allotment	62,500	10	40.00	Cash	-	3.47%
March 31,2008	Allotment	1,40,000	10	10.00	Cash	-	7.78%
March 31,2010	Allotment	1,54,000	10	10.00	Cash	-	8.56%
October 06, 2014	Purchase	100	10	10.00	Cash	Bhuvneshwari Devi Gutta	0.01%
October 06, 2014	Purchase	50,000	10	10.00	Cash	Barbarik Vyaniya Pvt. Ltd.	2.78%
October 06, 2014	Purchase	50,000	10	10.00	Cash	Kaberi Commotrade Pvt. Ltd.	2.78%
October 06, 2014	Purchase	60,000	10	10.00	Cash	Basukinath Vyaniya Pvt. Ltd.	3.33%
October 06, 2014	Purchase	50,000	10	10.00	Cash	Dolphin Barter Pvt. Ltd.	2.78%
October 06, 2014	Purchase	50,000	10	10.00	Cash	Padamprabhu Distributors Pvt. Ltd.	2.78%
October 06, 2014	Purchase	5,000	10	10.00	Cash	Supriya Hazra	0.28%
October 06, 2014	Purchase	8,750	10	10.00	Cash	Chandan Sau	0.49%
	Sub-total	9,16,950					50.96%
Sulekha Roy							
On Incorporation	Subscriber to MOA	1,000	10	10.00	Cash	-	0.06%
December 12, 2001	Sale	(100)	10	10.00	Cash	Bhuvneshwari Devi Gutta	(0.01%)
December 12, 2001	Allotment	1,15,700	10	10.00	Cash	-	6.43%
January 01,2009	Purchase	50,000	10	3.00	Cash	Anuraj Tie Up Pvt.Ltd.	2.78%
January 01,2009	Purchase	50,000	10	3.00	Cash	Classic Goods Pvt. Ltd.	2.78%
January 01,2009	Purchase	50,000	10	3.00	Cash	Exclusive Vinimay Pvt. Ltd.	2.78%

January 01,2009	Purchase	50,000	10	3.00	Cash	Flexible tradelink Pvt. Ltd.	2.78%
October 06, 2014	Purchase	12,500	10	10.00	Cash	Ivory Tie Up Pvt. Ltd.	0.69%
April 06, 2018	Purchase	8,900	10	0.00	Gift	Puja Roy	0.49%
April 06, 2018	Purchase	25,400	10	0.00	Gift	Subhra Jashu	1.41%
April 06, 2018	Purchase	8,650	10	0.00	Gift	Jayanta Jashu	0.48%
	Sub-total	3,72,050					20.68%

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.

10. Our shareholding pattern

(a) The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Prospectus:

Category Code	Category of shareholder	No. Of share holder	No. of fully paid up equity shares held	No. of Partly paid up equity share s held	No. of shares underlying Depository Receipt s	Total nos. shares held	Share holding as a % of total no. of share s (calculated as per SCR R, 1957) As a % of (A+B +C2)	Number of Voting Rights held in each class of securities*				No. of Shares Under lying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. of Voting Rights			Total as a % of (A+B +C)			No. (a)	As a % of total share s held (B)	No. (a)	As a % of total share s held (B)	
								Class X	Class Y	Total								
I	II	III	IV	V	VI	VII= IV+ V+ V I	VIII	IX				X	XI=VII +X	XII		XIII		XIV
(A)	Promoters and Promoter Group	6	1799300	-	-	1799300	99.99	1799300	-	1799300	99.99	-	99.99	-	-	-	-	0
(B)	Public	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	-	0
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	1799400	-	-	1799400	100.00	1799400	-	1799400	100.00	-	100.00	-	-	-	-	0

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

**Shall be locked-in on or before the date of allotment in this Issue.

I. Shareholding Pattern of Promoters and Promoter Group

	Category& name of shareholder (I)	PAN (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)= (IV)+(V)+(VI)	Share holding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+ C2)	Number of locked in Shares**		Number of Shares pledge d or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			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)	
									Class : X	Class as : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individual/Hindu Undivided Family		5	1289300	-	-	1289300	71.65	1289300	-	1289300	71.65	-	71.65	-	-	-	-	0
	Mihir Kumar Roy	ACUPR8097A	1	916950	-	-	916950	50.96	916950	-	916950	50.96	-	50.96	-	-	-	-	0
	Sulekha Roy	AHEPR6002J	1	372050	-	-	372050	20.68	372050	-	372050	20.68	-	20.68	-	-	-	-	0
	Puja Roy	AIUPR8763M	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	-	0
	Subhra Jashu	ACHPJ2544H	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	-	0
	Jayanta Jashu	AFEPJ4143A	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	-	0
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (Body Corporate)																		
	Hindustan Tank Structural Pvt. Ltd.	AACCH6310F	1	510000	-	-	510000	28.34	510000	-	510000	28.34	-	28.34	-	-	-	-	0

	Sub- total (A) (1)		6	1799300	-	-	1799300	99.99	1799300	-	1799300	99.99	-	99.99	-	-	-	-	0
(2)	Foreign																		
(a)	Individual (Non-Resident Individual/ Foreign Individual)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub- Total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoters and Promoter Group (A)=(A)(1)+(A)(2)	-	6	1799300	-	-	1799300	99.99	1799300	-	1799300	99.99	-	99.99	-	-	-	-	0

II. Shareholding Pattern of the Public shareholder

	Category & name of shareholder	P A N	No. of shareholders	No. of full y paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C 2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of (A+ B+C)			No. (a)	As a % of tot al shares held (B)	No. (a)	As a % of tot al shares held (B)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)= (IV)+(V) +(VI)	(VIII)	(IX)				(X)	(XI)=(V II)+(X)	(XII)		(XIII)		(XIV)
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

(2)	Central Government / State Government (s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non- Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Individuals-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	CTXPD9962Q	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(3)	-	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	0
	Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)	-	1	100	-	-	100	0.01	100	-	100	0.01	-	0.01	-	-	-	0

III. Shareholding pattern of the Non Promoter- Non Public shareholder

	Category & name of shareholder	PAN	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities				No. of Shares Under lying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities (as a percent age of diluted share Capital) As a % of (A+B+C 2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total shares held (B)	No. (Not Applicable)	As a % of total shares held (Not Applicable)	
									Class : X	Class : Y									
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V) +(VI)	(VIII)	(IX)				(X)	(XI)=(V II)+(X)	(XII)		(XIII)		(XIV)
(1)	Custodian /DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Non-Promoter – Non Public Shareholding (C)=(C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Note:

- In terms of SEBI circular bearing No. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Accordingly, our Company has dematerialized all the existing shares of the Company.
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share 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, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE EMERGE before commencement of trading of such Equity Shares.

8. As on the date of the Draft Prospectus, there are no partly paid-up shares / outstanding convertible securities / warrants in our Company.
9. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and public before and after the Issue:

Sr. No.	Name of share holder	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
PROMOTERS					
1	Mihir Kumar Roy	9,16,950	50.96	9,16,950	[•]
2	Sulekha Roy	3,72,050	20.68	3,72,050	[•]
Total – A		12,89,000	71.63	12,89,000	[•]
Promoters’ Group					
3	Hindustan Tank Structural Pvt. Ltd.	5,10,000	28.34	5,10,000	[•]
4	Puja Roy	100	0.01	100	[•]
5	Subhra Jashu	100	0.01	100	[•]
6	Jayanta Jashu	100	0.01	100	[•]
Total - B		5,10,300	28.36	5,10,300	[•]
Total Promoters and Promoters’ Group (A+B)		17,99,300	99.99	17,99,300	[•]
PUBLIC - PRE IPO					
7	Dipak Das	100	0.01	-	-
Total-C		0	0	-	-
INITIAL PUBLIC OFFER					
8	Initial Public Offer - Public	0	0	[•]	[•]
Total-D		0	0	[•]	[•]
Total Public (C+D)		0	0	[•]	[•]
Grand Total (A+B+C+D)		17,99,400	100.00	[•]	[•]

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mihir Kumar Roy	9,16,950	12.04
Sulekha Roy	3,72,050	5.08

11. Details of Major Shareholders:

- (A) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital#
1.	Mihir Kumar Roy	9,16,950	50.96%
2.	Sulekha Roy	3,72,050	20.68%
3.	Hindustan Tank & Structural Pvt. Ltd.	5,10,000	28.34%

- (B) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital#
1.	Mihir Kumar Roy	916950	50.96%
2.	Sulekha Roy	3,29,100	18.29%
3.	Hindustan Tank & Structural Pvt. Ltd.	5,10,000	28.34%
4.	Subhra Jashu	25,500	1.42%

(C) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital#
1.	Mihir Kumar Roy	916950	50.96%
2.	Sulekha Roy	3,29,100	18.29%
3.	Hindustan Tank & Structural Pvt. Ltd.	5,10,000	28.34%
4.	Subhra Jashu	25,500	1.42%

(D) List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Draft Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital#
1.	Mihir Kumar Roy	9,16,950	50.96%
2.	Sulekha Roy	3,72,050	20.68%
3.	Hindustan Tank Structural Pvt. Ltd.	5,10,000	28.34%

*The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of the Draft Prospectus.

the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

12. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
13. Our Company has not issued any Equity Shares during a period of one year preceding the date of the Draft Prospectus at a price lower than the Issue Price.
14. 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 Draft Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
15. We have 7 (Seven) shareholders as on the date of filing of the Draft Prospectus.
16. As on the date of the Draft Prospectus, our Promoters and Promoters' Group hold total 17,99,300 Equity Shares representing 99.99% of the pre-issue paid up share capital of our Company.
17. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the company which is a promoter of the Company and/or the Directors of the Company have purchased or (sold) any securities of our Company during the past six months immediately preceding the date of filing this Draft Prospectus.
18. The members of the Promoters' Group, our Directors and the relatives of our Directors have not 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 six months immediately preceding the date of filing the Draft Prospectus.

19. Details of Promoter's Contribution locked in for three years:

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and in terms of the aforesaid table, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter's Contribution (Promoters' Contribution) and shall be locked in by for a period of three (3) years.

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

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters' Contribution of [●] of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters' Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters' Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The details of the Equity Shares held by our Promoters, which are locked in for a period of three years from the date of Allotment in the Offer are given below:

Name of Promoter	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/Acquisition Price per Equity Share (Rs.)	Percentage of post-Offer paid-up capital (%)	Date up to which Equity Shares are subject to Lock-in
Mihir Kumar Roy	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Sulekha Roy	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total			[●]			[●]	

The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 237 of the SEBI Regulations. Equity Shares offered by the Promoters for the minimum Promoters' contribution are not subject to pledge. Lock-in period shall commence from the date of Allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoters' contribution of [●]% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

Equity Shares locked-in for one year

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters' contribution, the balance pre-Issue Equity Share capital of our Company, i.e. [●] Equity Shares shall be locked in for a period of one

year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.

20. The members of the Promoter Group, our Directors or the relatives of our Directors have not 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 six months preceding the date of filing of the Prospectus.
21. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
22. There are no safety net arrangements for this public Offer.
23. An oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment.
24. As on the date of filing of the Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
25. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
26. As per RBI regulations, OCBs are not allowed to participate in this Issue.
27. There is no "Buyback", "Standby", or similar arrangement by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares issued / offered through this Prospectus.
28. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any

financial institutions or banks or any third party as security for repayment of loans.

29. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
30. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE.
31. The Issue is being made through Fixed Price Method.
32. Lead Manager to the Issue viz. Corporate Capital Ventures Private Limited and its associates do not hold any Equity Shares of our Company.
33. Our Company has not raised any bridge loan against the proceeds of this Issue.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
36. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Draft Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
37. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
38. Our Promoters and the members of our Promoter Group will not participate in this Issue.
39. Our Company has not made any public issue since its incorporation.
40. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
41. For the details of transactions by our Company with our Promoter Group, Group Companies during the last three Fiscals i.e. 2016 2017 and 2018, please refer to paragraph titled “*Related Party Transaction*” in the chapter titled ‘*Financial Information*’ beginning on page number 158 of the Draft Prospectus.
42. 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 number 130 of the Draft Prospectus.

OBJECTS OF THE OFFER

This Issue is being undertaken to meet the objects, as set forth herein, and to realize the benefits of listing of our Equity Shares on Stock Exchanges, which in our opinion would enhance our Company's visibility, brand name and enable us to avail of future growth opportunities. The main objects clause of our Memorandum enables our Company 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. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

We confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

A. REQUIREMENT OF FUNDS:

The proceeds of the Issue after deducting issue related expenses are proposed to be utilized by us for financing the following objects:

1. To meet out the requirement of Capital Expenditure for Business Expansion,
2. To meet out the Working Capital requirements of the Company; and
3. General Corporate Purposes

B. ISSUE PROCEEDS

Particulars	Amount (Rs. in Lakhs)
Gross Proceeds from the Issue	[•]
(Less) Issue related expenses	[•]
Net Proceeds	[•]

Note: As on December 18, 2018, our Company has incurred a sum of Rs. 6.42 Lakhs towards issue expenses.

C. UTILIZATION OF NET PROCEEDS

S.N	Particulars	Amount to be financed from Net Proceeds of the Issue (Rs. in Lakhs)	% of Gross Proceeds	% of Net Proceeds
1.	Capital Expenditure requirement	[•]	[•]	[•]
2.	Working Capital requirement	[•]	[•]	[•]
3.	General Corporate Purposes	[•]	[•]	[•]
	Total	[•]	[•]	[•]

Note :

- a. *The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below*

- b. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.
- c. We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

D. DETAILS OF OBJECTS:

1. Purchase of Capital Equipment for Business Expansion

We have estimated the requirement of Capital Equipment aggregating Rs. [●] Lakhs. We have estimated these requirements based on Performa Invoice / Quotations received from various vendors / manufacturers/ suppliers of construction equipment. The details of the same are as follows:

#	Products Name	Supplier Name	Quotation Reference	Quotation Date	Amount (Rs. in Lakh)
[●]	[●]	[●]	[●]	[●]	[●]
TOTAL					[●]

2. To Meet Working Capital Requirement

We finance our working capital requirements from bank funding, internal accruals and other sources. The total outstanding amount of as on March 31, 2017 and 2018 is Rs. 423.41 Lakhs and Rs. 618.42 Lakhs respectively which is based on the Restated Financial Statements. For more information please refer page number 158 of this Draft Prospectus. The total net working capital requirement for the year 2019 is estimated to be Rs. [●] Lakhs, which will be met through the Net Proceeds to the extent of Rs. [●] Lakhs and the balance portion will be met through internal accruals/ owned Funds.

Basis of estimation of working capital requirement

(Rs. in Lakhs)

Description	31-03-17 Actual	31-03-18 Actual	31-03-19 Estimated	31-03-20 Projected
Current Assets				
Inventories	330.72	632.62	[●]	[●]
Trade receivables	1,307.23	1,514.52	[●]	[●]
Cash and bank balances	324.80	458.76	[●]	[●]
Short-term loan and advances	953.22	1,058.14	[●]	[●]
Total of Current Assets	2,915.97	3,664.04	[●]	[●]
Current Liabilities				
Trade Payables	999.65	1355.15	[●]	[●]

Other Current Liabilities	555.88	637.81	[●]	[●]
Short- Term Provisions	46.80	49.65	[●]	[●]
Total of Current Liabilities	1,602.33	2042.61	[●]	[●]
Total Working Capital Gap	1,313.64	1,621.43	[●]	[●]
Less: Borrowings	890.23	1003.01	[●]	[●]
Additional Working Capital Requirement	423.41	618.42	[●]	[●]
Internal Sources			[●]	[●]
Additional margin to be funded from Net Proceeds			[●]	[●]

Justification:

Particulars	Basis
Debtors	We expect Debtors Holding days to be at [●] days for FY 19 based on increased sales.
Creditors	We expect Creditors payments days to be [●] days for FY 19.
Inventory	We expect Inventory level of inventory to maintain to be at [●] days for FY 19.

Note: Details of our Company's working capital requirement are based on the Restated Financial Statements as at March 31, 2017 and March 31, 2018.

3. General Corporate Purpose

Primarily our Company intends to deploy the Net Proceeds towards objects as mentioned above and the balance for General Corporate Purposes subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

4. Issue Related Expenses

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately Rs. [●] Lakhs (inclusive of all applicable taxes) which is [●] % of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

#	Particulars	Amount (Rs. in Lakhs)	% of Total Expenses	% of Total Issue size
1.	Lead manager(s) fees including underwriting commission. ⁽¹⁾	[●]	[●]	[●]
2.	Brokerage, selling commission and upload fees. ^{(2) (3)}	[●]	[●]	[●]
3.	Registrars to the issue	[●]	[●]	[●]
4.	Legal Advisors	[●]	[●]	[●]

5.	Advertising and marketing expenses	[●]	[●]	[●]
6.	Regulators including stock exchanges	[●]	[●]	[●]
7.	Advertising and marketing expenses	[●]	[●]	[●]
8.	Regulators including stock exchanges	[●]	[●]	[●]
9.	Printing and distribution of issue stationary	[●]	[●]	[●]
10.	Market Making fees and other out of pocket expenses.	[●]	[●]	[●]
11.	Others, if any (to be specified).	[●]	[●]	[●]
Total		[●]	[●]	[●]

- (1) *The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.*
- (2) *Further the SCSBs and other intermediaries will be entitled to selling commission of [●] % of the amount allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them.*
- (3) *The SCSBs would be entitled to processing fees of Rs. [●] per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.*

E. MEANS OF FINANCE

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

(Amount is Rs. Lakhs)

Particulars	Total Requirement	Fund already Deployed	Amount proposed to be financed from IPO Proceeds
Capital Expenditure requirements	[●]	-	[●]
Working Capital requirements	[●]	-	[●]
General Corporate Purpose	[●]	6.42	[●]

1. Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue or through existing identifiable internal accruals.
2. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in external circumstances or costs or other financial conditions and other external factors.
3. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals.
4. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required.

5. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.
6. We further confirm that no part proceed of the Issue shall be utilised for repayment of any Part of loan outstanding as on date of this Draft Prospectus.
7. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change.
8. Our Company's historical expenditure may not be reflective of our future expenditure plans.
9. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.
10. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 19 of the Draft Prospectus.

F. FUNDS DEPLOYED AND SOURCE OF FUNDS DEPLOYED:

The Company has received the Sources and Deployment Funds Certificate dated December 18, 2018 from M/s. Jain Singh & Co., Chartered Accountants. The certificate states that the Company has deployed amounts aggregating Rs. 6.42 Lakh. Details of the deployment of funds as on December 18, 2018, as per the certificate are as follows:

(Amount in Rs. Lakhs)

Particulars	Total Funds required	Amount already deployed	Source of Fund	Balance deployment during FY 2020
Capital Expenditure requirement	[●]	0.00	-	[●]
Working Capital requirement	[●]	0.00	-	[●]
General Corporate Purposes	[●]	0.00	-	[●]
Issue Expenses	[●]	6.42	Internal Accruals	[●]
Total	[●]	6.42	-	[●]

**The net issue proceeds pending utilization (for the stated objects) shall be deposited only in the scheduled commercial banks.*

G. SCHEDULE OF IMPLEMENTATION

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.

(Rs. in Lakh)

#	Particulars	Amount to be funded from Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2020)
1.	Capital Expenditure requirement	[●]	[●]
2.	Working Capital requirement	[●]	[●]
3.	General Corporate Purposes	[●]	[●]
4.	*Issue Expenses	[●]	[●]
	Total	[●]	[●]

Equipment	Delivery expected to start from [●] and complete by [●].
Erection and Commissioning	[●]
Trial Run	[●]
Commercial Production	[●]

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.

H. APPRAISAL

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

I. SHORTFALL OF FUNDS

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

J. BRIDGE FINANCING FACILITIES

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

K. MONITORING UTILIZATION OF FUNDS

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

L. INTERIM USE OF PROCEEDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

M. 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 authorised 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.

N. OTHER CONFIRMATIONS

There is no material existing or anticipated transactions with our Promoters, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilisation of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel or our Group Companies, except in the normal course of business and as disclosed in the sections titled 'Our Promoters & Promoters Group' and 'Our Management' as mentioned on page number 145 and 130 of this Draft Prospectus and in compliance with the applicable laws.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. [●] per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10/-and Issue Price is Rs. [●] per Equity Share.

QUALITATIVE FACTORS

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

1. Qualified & Experienced Team
2. State of the art machinery and equipment
3. Proven capabilities
4. Recognised and Established Customer Base
5. Ability to bring clients' vision to a reality
6. Procurement of Raw Materials
7. Technology, research and development and know-how

For further details, refer heading chapter titled “Our Business” beginning on page 195 of this Draft Prospectus.

QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price, are as follows:

1. Basic & Diluted Earnings Per Share (EPS) (Standalone) & (Consolidated):

Period	Basic & Diluted EPS (Stand Alone)	Basic & Diluted EPS (Consolidated)	Weight
Fiscal 2018	18.79	18.79	3
Fiscal 2017	12.36	12.36	2
Fiscal 2016	10.14	10.14	1
Weighted Average	15.21	15.21	-
Period ended September 30, 2018*	12.17	12.24	-

(*not annualised)

Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20-“Earning per Share” issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period. Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

- c) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

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

On the basis of Restated Standalone Financials

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2017-18	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]

On the basis of Restated Consolidated Financials

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2017-18	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]

**Industry P/E*

High	[●]
Low	[●]
Average	[●]

**Industry composite comprises of Power Mach Projects Ltd. and Artson Engineering Ltd.*

Note: Industry Peer may be modified for finalisation of Issue Price before filing Prospectus with ROC.

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

Period	Return on Net Worth (%) (Standalone)	Return on Net Worth (%) (Consolidated)	Weights
Year ended March 31, 2018	23.71	23.71	3
Year ended March 31, 2017	19.66	19.66	2
Year ended March 31, 2016	19.16	19.16	1
Weighted Average	21.60	21.60	
Period ended September 30, 2018*	13.31	13.37	-

**Not annualised*

Note:

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

4. **Minimum Return on Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2018 is [●] %.**

5. **Net Asset Value per Equity Share**

Particulars	Standalone (in Rs.)	Consolidated (in Rs.)
Year ended March 31, 2018	79.25	79.25
Year ended March 31, 2017	62.87	62.87
Year ended March 31, 2016	52.91	52.91
Period ended September 30, 2018*	91.49	91.49
NAV Post-Issue	[●]	
Issue Price	[●]	

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

NAV = Net worth excluding preference share capital and revaluation reserve/Outstanding number of Equity shares outstanding during the year or period

6. **Comparison with industry peers**

#	Name of the company	Face Value (Rs. Per Share)	CMP*	EPS (Rs. Per Share)	P/E Ratio	RONW (%)	NAV(Rs. Per Share)	Total Income (Rs. In Lakhs)
	M K Roy & Bros Projects Limited	10	[●]	[●]	[●]	[●]	[●]	[●]
Peer Group*								
	Power Mach Projects Ltd.	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	Artson Engineering Ltd.	[●]	[●]	[●]	[●]	[●]	[●]	[●]

*Source: www.bseindia.com, and www.nseindia.com

Note: Industry Peer may be modified for finalisation of Issue Price before filing Prospectus with ROC.

Notes:

- Considering the nature and turnover of business of the Company the peer are not strictly comparable. However the same have been included for broader comparison.
- The figures for M K Roy & Bros Projects Limited are based on the restated results for the year ended March 31, 2018.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2018.
- Current Market Price (CMP) is the closing price of respective scrips as on September 30, 2018.

For further details see section titled —Risk Factors beginning on page 19 and the financials of the Company including profitability and return ratios, as set out in the section titled — Auditors Report and Financial Information of Our Company beginning on page 158 of this Draft Prospectus for a more informed view.

STATEMENT OF TAX BENEFITS

Independent Auditor's Report on Statement of Special Tax Benefits

To,

The Board of Directors,
M K ROY & BROS PROJECTS LIMITED
68/A Netaji Subhas Road,
Budge Budge, 24 PGS (South),
West Bengal - 743319

With reference to proposed Issue and Offer of the Equity Shares of **M K ROY & BROS PROJECTS LIMITED** (hereinafter referred to as “the Company”), we are enclosing herewith a Statement stating the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘the Act’) as applicable to the assessment year 2019-20 relevant to the financial year 2018-19, for inclusion in the Draft Prospectus and the Prospectus for the proposed issue of shares. Several of these benefits are dependent upon the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits will be dependent upon such conditions being fulfilled. Additionally, in respect of the Company benefits listed, the business imperatives faced by the Company in the future will also affect the benefits actually claimed.

The benefits discussed in the enclosed annexure covers only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to the Company or its Shareholders. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive.

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

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

The contents stated in the Annexure are based on the information and explanations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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



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

For Jain Singh & Co
Chartered Accountants
FRN: 307135E

Place: Kolkata
Dated: December 18, 2018

CA Anuj Kumar
Partner M. No. 059492

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO M K ROY & BROS PROJECTS LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfil.

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

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

There are no Special tax benefits available 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 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.

For Jain Singh & Co
Chartered Accountants
FRN: 307135E

Place: Kolkata
Dated: December 18, 2018

CA Anuj Kumar
Partner M. No. 059492

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 other industry sources. Neither we nor any other person connected with this 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 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.

INTRODUCTION TO BUSINESS OF THE ISSUER COMPANY

“EPC” is an acronym for **Engineering, Procurement, and Construction**. EPC contracts are notable form of contracting agreement in the construction industry. It is a contract involving combination of these three tasks. It is also called as ‘design and build’ arrangement. These arrangements involve placing the entire responsibility of design to construction/ installation on one person. Organizations which deliver EPC Projects are commonly referred to as EPC Contractors. EPC contractor is made responsible for all the activities from design, procurement, construction, commissioning and handover of the project to the end-user or owner.

Under an EPC contract, the contractor designs the installation, procures the necessary materials builds/ constructs the project, either directly or by outsourcing the work, along with associated touches of installation/ inspection/ quality control etc. The meaning of the three terms (i.e., engineering, procurement & construction) has been defined and detailed in various literatures. Instead of picking these definitions or reiterating them, the scope of these three expressions in the present context has been depicted below in tabular form:

Engineering:	Procurement:	Construction:
<ul style="list-style-type: none"> ▪ Initiation or designing ▪ Planning or programming ▪ Estimating or projection ▪ Documenting performance standards 	<ul style="list-style-type: none"> ▪ Identifying, negotiating & arranging supplies ▪ Clearing at ports ▪ Ensuring delivery at right place ▪ Ensuring delivery at right time ▪ Invoicing ▪ Stock or effort reconciliation 	<ul style="list-style-type: none"> ▪ Drafting construction Schedule ▪ On-site material handling ▪ Erection, commissioning & testing ▪ On-site Client Communications ▪ Testing and validation ▪ Debugging or defect rectification

Before the EPC phase of the project, which is the execution phase of the projects, comes the FEED phase or Front End Engineering Design phase. The FEED is a basic engineering design used as the basis for the EPC phase. The FEED can be divided into separate packages covering different portions of the project. The FEED packages are used as the basis for bidding on when the client offers the EPC work to the market, normally the EPC Contractor has to execute and deliver the project within an agreed time and budget, commonly known as a Lump Sum Turn Key (LSTK) Contract. An EPC LSTK Contract places the risk for schedule and budget on the EPC Contractor. The project owner or client to the EPC Contractors will normally have a presence in the EPC Contractors offices during the execution of the EPC Contract. The Client places what can be termed a Project Management Team or PMT to overlook the EPC Contractor. The client PMT may require specialist help and bring on board Project Management Consultants or PMC's to assist. The PMT / PMC will ensure the EPC Contractor is carrying out the works in accordance with the agreed scope of works and in accordance

with the Contract. It is quite common for the Engineering and Construction Contractor which delivered the FEED to be offered a Project Management Consultancy (PMC) Contract.

(Source: 19th International Tax & Finance Conference, 2015: EPC)

GLOBAL ECONOMIC OUTLOOK

Global growth is projected to reach 3.9 percent in 2018 and 2019, in line with the forecast of the April 2018 World Economic Outlook (WEO), but the expansion is becoming less even, and risks to the outlook are mounting. The rate of expansion appears to have peaked in some major economies and growth has become less synchronized. In the United States, near-term momentum is strengthening in line with the April WEO forecast, and the US dollar has appreciated by around 5 percent in recent weeks. Growth projections have been revised down for the euro area, Japan, and the United Kingdom, reflecting negative surprises to activity in early 2018. Among emerging market and developing economies, growth prospects are also becoming more uneven, amid rising oil prices, higher yields in the United States, escalating trade tensions, and market pressures on the currencies of some economies with weaker fundamentals. Growth projections have been revised down for Argentina, Brazil, and India, while the outlook for some oil exporters has strengthened.

The balance of risks has shifted further to the downside, including in the short term. The recently announced and anticipated tariff increases by the United States and retaliatory measures by trading partners have increased the likelihood of escalating and sustained trade actions. These could derail the recovery and depress medium-term growth prospects, both through their direct impact on resource allocation and productivity and by raising uncertainty and taking a toll on investment. Financial market conditions remain accommodative for advanced economies - with compressed spreads, stretched valuations in some markets, and low volatility—but this could change rapidly. Possible triggers include rising trade tensions and conflicts, geopolitical concerns, and mounting political uncertainty. Higher inflation readings in the United States, where unemployment is below 4 percent but markets are pricing in a much shallower path of interest rate increases than the one in the projections of the Federal Open Market Committee, could also lead to a sudden reassessment of fundamentals and risks by investors. Tighter financial conditions could potentially cause disruptive portfolio adjustments, sharp exchange rate movements, and further reductions in capital inflows to emerging markets, particularly those with weaker fundamentals or higher political risks.

Avoiding protectionist measures and finding a cooperative solution that promotes continued growth in goods and services trade remain essential to preserve the global expansion. Policies and reforms should aim at sustaining activity, raising medium-term growth, and enhancing its inclusiveness. But with reduced slack and downside risks mounting, many countries need to rebuild fiscal buffers to create policy space for the next downturn and strengthen financial resilience to an environment of possibly higher market volatility.

Global Growth Forecast

Global growth for 2018 and 2019 is projected at 3.9 percent, as forecast in the April 2018 WEO. While headline numbers suggest a broadly unchanged global outlook relative to the April WEO, underlying revisions point to differing prospects across economies. The baseline forecast assumes gradually tightening but still favorable financial conditions, with localized pressures based on differences in fundamentals. Monetary policy normalization in advanced economies is assumed to proceed in a well-communicated, steady manner. Domestic demand growth (notably investment, which has been an important part of the global recovery) is expected to continue at a strong pace, even as overall output growth slows in some cases where it has been above trend for several quarters. In the baseline forecast, the direct contractionary effects of recently announced and anticipated trade measures¹ are expected to be small, as these measures affect only a very

small share of global trade so far. The baseline forecast also assumes limited spillovers to market sentiment, even if escalating trade tensions are an important downside risk. Advanced economy growth is expected to remain above trend at 2.4 percent in 2018—similar to 2017—before easing to 2.2 percent in 2019. The forecast for 2018 is lower by 0.1 percentage point compared to the April WEO, largely reflecting greater-than-expected growth moderations in the euro area and Japan after several quarters of above-potential growth.

Recent Development in South Asia and Middle East

Emerging and Developing Asia is expected to maintain its robust performance, growing at 6.5 percent in 2018–19. Growth in China is projected to moderate from 6.9 percent in 2017 to 6.6 percent in 2018 and 6.4 percent in 2019, as regulatory tightening of the financial sector takes hold and external demand softens. India's growth rate is expected to rise from 6.7 percent in 2017 to 7.3 percent in 2018 and 7.5 percent in 2019, as drags from the currency exchange initiative and the introduction of the goods and services tax fade. The projection is 0.1 and 0.3 percentage point lower for 2018 and 2019, respectively, than in the April WEO, reflecting negative effects of higher oil prices on domestic demand and faster-than-anticipated monetary policy tightening due to higher expected inflation. Growth in the ASEAN-5 group of economies is expected to stabilize at around 5.3 percent as domestic demand remains healthy and exports continue to recover.

In India, growth slowed for the fifth consecutive quarter to 5.7 percent (year-on-year) in the first quarter of FY 2017/18 (April-June 2017), partly reflecting adjustments by businesses to the prospective introduction of the GST in July 2017. In addition, protracted balance sheet weaknesses—in particular, a corporate debt overhang and elevated non-performing loans in the banking sector—continued to weigh on already weak private investment (World Bank 2017y). Weak private investment was only partly mitigated by a public infrastructure investment push and a surge in current expenditures after recent public pay hikes. In the second quarter of FY2017/18 (July-September 2017), the slowdown in economic activity bottomed out by a still weak 6.3 percent (year-on-year) growth. The manufacturing Purchasing Managers' Index (PMI) and industrial production growth remained broadly expansionary after they temporarily weakened as producers reduced inventories amid uncertainty relating to the implementation of the GST. Despite a recent uptick, inflation remained within the Reserve Bank of India's (RBI) target band of 2-6 percent, following a steady decline over the past year to 1.3 percent in July amid weak food prices. Fiscal consolidation has continued in the central government, but sub national fiscal deficits have risen, partly reflecting debt payments taken over through Ujwal Discom Assurance Yojana (UDAY) and a broader shift in public expenditures from central to state governments, and recent public pay hikes.

Oil exporters in the Middle East, North Africa, Afghanistan, and Pakistan region have benefited from the improved outlook for oil prices, but the outlook for oil importing countries remains fragile. Several economies still face large fiscal consolidation needs and the threat of intensifying geopolitical conflict continues to weigh on growth in the region. Growth is projected to strengthen from 2.2 percent in 2017 to 3.5 percent in 2018 and further to 3.9 percent in 2019—0.2 percentage point higher than in the April WEO for 2019.

(Source: Report of World Economic Outlook <https://www.imf.org/en/Publications>)

INDIAN ECONOMY OUTLOOK

Introduction

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3 per cent in 2018-19.

Market size

India's gross domestic product (GDP) at constant prices grew by 7.2 per cent in September-December 2017 quarter as per the Central Statistics Organisation (CSO). Corporate earnings in India are expected to grow by 15-20 per cent in FY 2018-19 supported by recovery in capital expenditure, according to JM Financial. The tax collection figures between April 2017- February 2018 show an increase in net direct taxes by 19.5 per cent year-on-year and an increase in net direct taxes by 22.2 per cent year-on-year. India has retained its position as the third largest startup base in the world with over 4,750 technology startups, with about 1,400 new start-ups being founded in 2016, according to a report by NASSCOM. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI.

Recent Developments

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. Some of the important recent developments in Indian economy are as follows:

- India's merchandise exports and imports grew 11.02 per cent and 21.04 per cent on a y-o-y basis to US\$ 273.73 billion and US\$ 416.87 billion, respectively, during April-February 2017-18.
- India's Foreign Direct Investment (FDI) inflows reached US\$ 208.99 billion during April 2014 - December 2017, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 7.5 per cent year-on-year in January 2018 while retail inflation reached a four month low of 4.4 per cent in February 2018.
- Employment on net basis in eight key sectors in India including manufacturing, IT and transport increased by 136,000 in July-September quarter of 2017-18.
- The average salary hike of Indian employees is estimated to be 9.4 per cent and that of key talents is estimated to be nearly 15.4 per cent in 2018, backed by increased focus on performance by companies, according to Aon Hewitt.
- Indian merchandise exports in dollar terms registered a growth of 4.48 per cent year-on-year in February 2018 at US\$ 25.83 billion, according to the data from Ministry of Commerce & Industry.
- Indian companies raised Rs 1.6 trillion (US\$ 24.96 billion) through primary market in 2017.
- Moody's upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook.
- The top 100 companies in India are leading in the world in terms of disclosing their spending on corporate social responsibility (CSR), according to a 49-country study by global consultancy giant, KPMG.
- The bank recapitalisation plan by Government of India is expected to push credit growth in the country to 15 per cent, according to a report by Ambit Capital.
- India has improved its ranking in the World Bank's Doing Business Report by 30 spots over its 2017 ranking and is ranked 100 among 190 countries in 2018 edition of the report.

- India's ranking in the world has improved to 126 in terms of its per capita GDP, based on purchasing power parity (PPP) as it increased to US\$ 7,170 in 2017, as per data from the International Monetary Fund (IMF).

Government Initiatives

The Union Budget for 2018-19 was announced by Mr. Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget will focus on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. A total of Rs 14.34 lakh crore (US\$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at Rs 5.97 lakh crore (US\$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors. India's unemployment rate is expected to be 3.5 per cent in 2018, according to the International Labour Organisation (ILO). Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

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

- The Union Cabinet gave its approval to the North-East Industrial Development Scheme (NEIDS) 2017 in March 2018 with an outlay of Rs 3,000 crores (US\$ 460 million) up to March 2020.
- In March 2018, construction of 321,567 additional houses across 523 cities under the Pradhan Mantri Awas Yojana (Urban) has been approved by the Ministry of Housing and Urban Poverty Alleviation, Government of India with an allocation of Rs 18,203 crore.
- The Ministry of Power, Government of India has partnered with the Ministry of Skill Development & Entrepreneurship to provide training to the manpower in six states in an effort to speed up the implementation of SAUBHAGYA (Pradhan Mantri Sahaj Bijli Har Ghar Yojna).
- Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of Rs 5,500 crore (US\$ 844.81 million) for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).
- In February 2018, The Union Cabinet Committee has approved setting up of National Urban Housing Fund (NUHF) for Rs 60,000 crore (US\$ 9.3 billion) which will help in raising requisite funds in the next four years.
- The target of an Open Defecation Free (ODF) India will be achieved by October 2, 2019 as adequate funding is available to the Swachh Bharat Mission (Gramin), according to Ms Uma Bharti, Minister of Drinking Water and Sanitation, Government of India.
- The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.

- A total of 15,183 villages have been electrified in India between April 2015-November 2017 and complete electrification of all villages is expected by May 2018, according to Mr Raj Kumar Singh, Minister of State (IC) for Power and New & Renewable Energy, Government of India.
- The Government of India has decided to invest Rs 2.11 trillion (US\$ 32.9 billion) to recapitalise public sector banks over the next two years and Rs 7 trillion (US\$ 109.31 billion) for construction of new roads and highways over the next five years.

Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

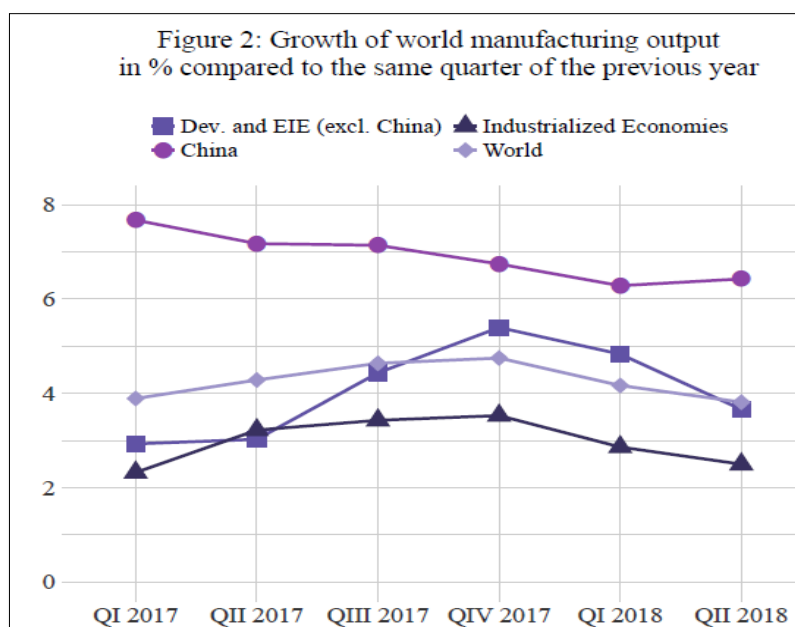
India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy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

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

GLOBAL MANUFACTURING SECTOR STATUS

The rate of world manufacturing growth in the second quarter of 2018 slightly declined against the backdrop of escalating tensions over global trade. Despite these problems, global manufacturing output rose by 3.8 per cent in the second quarter of 2018 compared to the same quarter of the previous year. Although the growth rate is below the 4.2 percent registered in the first quarter, it still indicates strong momentum.

The stable growth of industrialized economies, accounting for over half of world industrial output, has played a major role in this development. New fiscal stimuli adopted by some countries are expected to further boost short-term growth and continue to drive and strengthen world manufacturing output. At the same time, increased trade tensions may have detrimental effects on production growth and jobs. Data for the second quarter of 2018 indicate a deceleration in the expected annual manufacturing growth of all country groups (Figure 2).



China is an exception which is presented separately. While manufacturing in industrialized economies has not reached the desired level of dynamism, growth in this country group has been stable. In the second quarter of 2018, manufacturing output rose by 2.5 per cent compared to the same period in 2017.

This growth was attributable to the sustained recovery of Europe's manufacturing sector, which increased by 3.0 per cent in the second quarter of 2018. At the same time, North America's manufacturing output rose by 1.8 per cent. After a slightly weaker performance in the first quarter of 2018, the year-to-year growth rate of East Asia's industrialized economies reached a solid 2.6 per cent again. The Republic of Korea recovered from a weak performance in the first quarter and witnessed an improved growth of 2.9 per cent compared to the first quarter 2018. China, the world's largest manufacturer, maintained a robust year-over-year growth rate of around 6.4 per cent, despite ongoing trade tensions. The manufacturing output of developing and emerging industrial economies (excluding China) registered the most dynamic development in recent quarters.

The growth pattern of the upswing throughout the 2017 quarters as well as the cool-down in the first half of 2018 followed a more erratic path in comparison to China or the group of industrialized countries, resulting in an overall growth rate of 3.7 per cent compared to the same quarter of 2017. Developing economies in Asia and the Pacific recorded a high growth rate of 4.8 per cent in the second quarter of 2018, supported by strong growth in India (+5.3 per cent) and Indonesia (+4.6 per cent). An even higher increase of 5.3 per cent was observed in the group of developing economies in the Eastern Europe region. The overall year-to-year growth in Latin America slowed to 1.3 per cent but sustained its momentum in the second quarter despite some turbulence in a number of the regions' economies.

After a period of strong expansion, the growth rate of Brazil's manufacturing sector dropped to 0.8 per cent compared to the second quarter 2017. Argentina, another key economy of the region, even experienced a shrinking manufacturing output of -1.9 per cent in an uncertain monetary environment backed by assistance from the International Monetary Fund to reduce peso volatility. Growth estimates based on limited data also show a positive growth rate of around 1.6 per cent for Africa's manufacturing output. In short, despite a noticeable slowdown in the pace of growth in some regions, manufacturing production expanded across all industrialized and developing countries in the second quarter of 2018 compared to the same period of the previous year, which confirms the sustained recovery of manufacturing at the global level.

(Source : World Manufacturing Production Statistics for Quarter II, 2018 by UNIDO.)

INDIAN MANUFACTURING SECTOR

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 constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the 2nd provisional estimate 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.

Foreign Direct Investment (FDI) inflows in India's manufacturing sector grew by 82 per cent year-on-year to US\$ 16.13 billion during April-November 2016.

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:

- IKEA, a Swedish furniture company, aims to manufacture more than 30 per cent of its products in India in the coming years, stated Mr. Patrik Antoni, Deputy Country Manager, IKEA.
- Volvo India Pvt. Ltd, Swedish luxury car manufacturer, will start assembly operations near Bengaluru in India by the end of 2017. The company is targeting to double its share in India's luxury car segment to 10 per cent by 2020.
- Berger Paints has entered into a partnership with Chugoku Marine Paints, thereby marking its entry into the marine paints segment, which has an estimated market size of Rs 250 crore (US\$ 38.82 million) and is expected to grow at 25 per cent annually for the next five years.
- SAIC Motor Corp, China's largest automaker, has signed a deal to buy General Motors (GM) India's Halol plant in Gujarat.
- Dabur India Ltd set up its largest manufacturing plant globally, spread over 30 acres, at a cost of Rs 250 crore (US\$ 38.82 million), in Tezpur, Assam, which will produce Dabur's complete range of ayurvedic medicines, health supplements, and personal care products among others.
- Apple Inc is looking to expand its Taiwanese contract manufacturer, Wistron's, production facility in Bengaluru, India, where it started manufacturing iPhone SE in May, 2017.
- Panasonic Corporation, the Japan-based electronics company, plans to set up a new plant at Jhajjar, Haryana, to manufacture refrigerators for the Indian market, and a Research and Development (R&D) center for appliances consisting of two technical divisions to strengthen its product development in the country.
- BSH Home Appliances Group, the leading home appliances manufacturer in Europe, inaugurated its first technology centre in India at Adugodi, Bengaluru, which will enable the company to further develop localised technologies for the Indian market.
- China based LCD and touch screen panel manufacturer, Holitech Technology, has announced plans to investing up to US\$ 1 billion in India by the end of 2017.

- Ashok Leyland Ltd has launched its circuit series electric bus, the first ever electric bus designed and engineered entirely in India specifically for Indian road conditions, with a capacity to travel over 150 km on a single charge.
- TristoneFlowtech Group, the Germany-based flow technology systems specialist, has set up a new facility in Pune, which will manufacture surge tank as well as engine cooling and aircharge hose for the Indian market. The company plans to start the production at the plant in the fourth quarter of 2017.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US\$ 90 million) to add a new line to produce additional 600,000 units at its Narsapura facility in Karnataka.
- Hindustan Coca-Cola Beverages plans to set up a bottling plant with an investment of Rs 750 crore (US\$ 112.5 million) in phases at the first industrial area being developed by Government of Madhya Pradesh under the public private partnership in Babai village of Hoshangabad, Bhopal.

Government Initiatives

In a bid to push the 'Make in India' initiative to the global level, Mr Narendra Modi, Prime Minister of India, pitched India as a manufacturing destination at the World International Fair in Germany's Hannover in 2015. Mr. Modi showcased India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

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:

- The Government of India has introduced several policy measures in the Union Budget 2017-18 to provide impetus to the manufacturing sector. Some of which include reduction of income tax rate to 25 per cent for MSME companies having turnover up to Rs 50 crore (US\$ 7.5 million), MAT credit carry forward extended to 15 years from 10 years and abolishment of Foreign Investment Promotion Board (FIPB) by 2017-18.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smart phone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Ministry of Heavy Industries and Public Enterprises, Government of India, has approved the setting up of four Centres of Excellence (CoE) in areas of textile machinery, machine tools, welding technology and smart pumps, which will help raise the technology depth of the Indian Capital Goods Industry.
- 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).
- The Government of India has removed the 12.5 per cent excise duty and 4 per cent special additional duty (SAD) on the manufacturing of point-of-sale (PoS) machines till March 31, 2017, which is expected to give a boost to the cashless economy as more PoS machines will be deployed in the future.

- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US\$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US\$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.

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 implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2 trillion along with a population of 1.2 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.

(Source: www.ibef.org)

GLOBAL STATUS OF OIL STORAGE INDUSTRY

Global Oil Storage Market Overview

The global oil storage market was valued at \$3,179 million in 2016, and is anticipated to reach at \$4,306 million, growing at a CAGR of 4.4% from 2017 to 2023. Oil storage is a type of trade where vertically integrated companies purchase oil for immediate delivery and store until the price of oil increases. Moreover, this storage can be for a short span of time as the oil could be transported for refinement process. In addition, oil storage offers protection from short time supply fluctuations of crude oil and its derivative. Furthermore, increase in oil production has encouraged suppliers to improve their inventories and infrastructure to store large quantities of oil.

Market Dynamics

The market is driven by the low crude oil prices, growth in need for mega refining hub, import or distribution type facilities, and high degree of product containment. Initiatives, such as strategic petroleum reserve for stockpiling large volumes of oil have enabled the government of the developed and the developing countries to protect the supply from price hike and stock out incident. However, decline on production and exploration activities, and rising inventory cost are expected to impede the market growth.

Market Segmentation

The global oil storage market is segmented into type, material, product design, and geography. On the basis of type, it is categorized into crude oil, gasoline, aviation fuel, naphtha, diesel, kerosene, and liquefied petroleum gas (LPG).

Oil storage is a mechanism used for safely storing various petroleum products. These products are naturally occurring petroleum resources and are known as refinery feed stocks. The growth in global oil production has encouraged the suppliers to develop storage infrastructure and enhance their inventories for oil storage. Oil storage offers protection from



short time supply fluctuations of crude oil and its derivatives. Sometimes, storage of oil is temporary as the oil need to be transported to other places for further refinement.

In 2016, crude oil was the leading type segment, and accounted for more than half share in total market. Crude oil is a liquid form of petroleum, which is widely refined into different oil products such as diesel oil, paraffin, petrol, and others. It can be stored in open top tanks, fixed roof storage tanks, and atmospheric storage tanks. In 2016, carbon steel was the significant segment and is expected to dominate the market during forecast period. The floating roof segment dominated the market in 2016, in terms of both value and volume.

Latin America, Middle East and Africa (LAMEA) is expected to be the significant market for oil storage from 2017 to 2023. Rest of LAMEA countries dominated the LAMEA oil storage market in 2016. LAMEA witnessed the highest demand for oil storage, owing to the presence of large oil reserves and major export destinations such as Nigeria, Saudi Arabia, Iran, and UAE. In addition, introduction to newer refineries enables the significant demand for oil products. In addition, Asia-Pacific is expected to witness the highest CAGR of 5.4% during the forecast period.

(Source: <https://www.alliedmarketresearch.com/oil-storage-market>)

INDIAN OIL STORAGE INDUSTRY STATUS

The Narendra Modi led government has given in-principal approval for establishing underground crude oil storages in Odisha and Karnataka to increase emergency stockpile cover by 12 days to 22 days. India plans 2 more strategic oil reserves. The storage capacity of these two Strategic Petroleum Reserve (SPR) facilities will be 6.5 Million Metric Tonne (MMT). India already has underground rock caverns for storage of 5.33MMT of crude oil at three locations: Vishakhapatnam (1.33 MMT), Mangalore (1.5 MMT) and Padur (2.5 MMT). Strategic oil reserve is storage facilities for oil in addition to the existing ones of crude oil and petroleum products with the oil companies. The crude oil storages are constructed in underground rock caverns. Rock caverns are large man-made spaces in the rock and are considered the safest means of storing hydrocarbons. Oil reserves are being built to provide the cushion during any external supply disruptions and to ensure India's energy security. These oil reserves are being managed by Indian Strategic Petroleum Reserves Ltd.

OUR INDUSTRY IN INDIA

Introduction

The Indian Engineering sector has witnessed a remarkable growth over the last few years driven by increased investments in infrastructure and industrial production. The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India's economy.

India on its quest to become a global superpower has made significant strides towards the development of its engineering sector. The Government of India has appointed the Engineering Export Promotion Council (EEPC) as the apex body in charge of promotion of engineering goods, products and services from India. India exports transport equipment, capital goods, other machinery/equipment and light engineering products such as castings, forgings and fasteners to various countries of the world. The Indian semiconductor industry offers high growth potential areas as the industries which source semiconductors as inputs are themselves witnessing high demand.

India became a permanent member of the Washington Accord (WA) in June 2014. The country is now a part of an exclusive group of 17 countries who are permanent signatories of the WA, an elite international agreement on engineering studies and mobility of engineers.

Market size

Turnover of capital goods industry is estimated to have reached US\$ 70 billion in 2017[^].

India exports its engineering goods mostly to the US and Europe, which accounts for over 60 per cent of the total exports. Engineering exports for the period of FY18 were US\$ 76.20 billion as against US\$ 65.23 million in the same period previous year. Exports of electrical machinery and equipment grew at a CAGR of 7.00 per cent during FY10-18 to reach US\$ 6.7 billion in FY18. The figure stood at US\$ 1.28 billion for Apr-May 2018.

The electrical equipment industry observed a witnessed a record seven-year high growth of 12.8 per cent in 2017-18, on the back of increase in government spending on rural and household electrification schemes and programmes to improve power distribution.

Construction equipment industry of India is expected to grow over 18 per cent in 2018-19.

Investments

The engineering sector in India attracts immense interest from foreign players as it enjoys a comparative advantage in terms of manufacturing costs, technology and innovation. The above, coupled with favourable regulatory policies and growth in the manufacturing sector has enabled several foreign players to invest in India. The Foreign Direct Investment (FDI) inflows into India's miscellaneous mechanical and engineering industries during April 2000 to June 2018 stood at around US\$ 3.45 billion, as per data released by the Department of Industries Policy and Promotion (DIPP).

Government Initiatives

The Indian engineering sector is of strategic importance to the economy owing to its intense integration with other industry segments. The sector has been de-licensed and enjoys 100 per cent FDI. With the aim to boost

the manufacturing sector, the government has relaxed the excise duties on factory gate tax, capital goods, consumer durables and vehicles.

- In the Union Budget 2018-19, the government allocated US\$ 92.22 billion for the infrastructure sector. Allocation to the defence sector was raised to US\$ 45.57 billion under Union Budget 2018-19. In addition, Make in India policy is being carefully pursued to achieve greater self-sufficiency in the area of defence equipment including air-craft.
- The Union Cabinet has approved incentives up to Rs 10,000 crore (US\$ 1.47 billion) for investors by amending the M-SIPS scheme, in order to further incentivise investments in electronics sector, create employment opportunities and reduce dependence on imports by 2020.

Road Ahead

Turnover of capital goods industry is expected to increase to US\$ 115.17 billion by 2025F. India's engineering R&D market will increase from US\$ 28 billion in FY18 to US\$ 45 billion by 2020F. Sales of construction equipment are expected to reach 90,115 and 100,000 in 2018 and 2022, respectively, while the market size of construction equipment industry is expected to grow from US\$ 4.3 billion in FY18 to US\$ 5 billion by FY20.

(Source: Media reports, Press releases, EEPC India, Press Information Bureau (PIB), Department of Industrial Policy and Promotion (DIPP), The Confederation of Indian Industry (CII), Indian Electrical & Electronics Manufacturers' Association (IEEMA).)

OUR BUSINESS

This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled 'Risk Factors' and 'Financial Information' and the chapter titled 'Management Discussion and Analysis of Financial Condition and Results of Operations' beginning on page nos. 19, 158 and 204, respectively, of this Draft Prospectus.

In this section, unless otherwise stated, references to “the Company” or to “we”, “us” and “our” refers to M K Roy & Bros Projects Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

OVERVIEW

To acquire the business of M/s. M K Roy & Bros, a partnership firm as a going concern, our Company was incorporated in the name of M K Roy & Bros Projects Private Limited, as a private limited company, under the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2000, bearing registration number 92689 and CIN U45209WB2000PTC092689 issued by the Registrar of Companies, West Bengal at Kolkata. Our Company has subsequently converted into a public company and consequently the name of the Company has been changed to M K Roy & Bros Projects Limited vide fresh Certificate of Incorporation consequent upon the change of name dated December 13, 2018, issued by the Registrar of Companies, West Bengal at Kolkata. The new CIN of our Company is U45209WB2000PLC092689.

Today we are well known name in construction / fabrication of Petroleum Storage Tanks (Vertical Cone Roof, Floating Roof and Horizontal UG Tank), Fire Hydrant pipeline, Foam system, Sprinkler system TDW & TLF gantry, other supply of materials and other industrial structures all over India with a number of reputed clients across the country. Our Company execute projects on Engineering, Procurement and Construction (EPC) basis.

With creativity in every aspect of operations and determination to provide solution to complex technological problems in design, engineering, manufacturing and the zeal to provide best results despite of all constraints in field jobs, have provided M K Roy & Bros. recognition for quality and all round excellence.

We assure our clients unsurpassed quality and reliability in our products and excellence in our service. We design and construct custom shell and storage tank to meet a variety of industrial needs. In addition to meeting clients' application specifications, our shell and tanks can be engineered, designed, and constructed to meet international standards. Our EPC Business provides integrated engineering, procurement and construction services primarily to the oil and gas sector. We believe we have developed core competencies in project management, design optimisation and large-scale procurement and we seek to capture a significant portion of the EPC value chain through our execution expertise in construction services. The customers of our EPC Business include Indian Oil, BPCL and HPCL. Catering to the oil industry of diverse segments, we have become a trusted name and epitomize innovation with high degree of functionality. Custom tanks are needed for a myriad of applications, for specialized needs in a variety of industries. Our tank is proud of its proven track record for customizing storage tank design and construction for its customers needing solutions to tricky applications. Our Company has more than 30 years of experience in construction of its products. We have always designed and constructed our petroleum tanks with an emphasis on quality, safety and environmental responsibility. We will not compromise these priorities when it comes to the construction process. Utilize the experience of our field services to meet on site project needs. We specialize in the construction and repair of

storage tanks and tank erection. Utilizing the experience of our engineering department and construction personnel, we bring clients' vision to a reality. From art and unique structures to detailed equipment, we assist clients to achieve their objectives. Our Company is being equipped with the latest machinery and highly skilled personals. We are backed by a strong infrastructural base, which is well equipped with latest technology, advance machines and equipments which assist us in maintaining the quality and quantity of our products. We have a strong focus on construction process and have a full-fledged quality testing laboratory and well qualified and experienced personnel. All raw materials and consumables are tested at various stages in process as per stipulated standards to ensure good quality products.

PLACE OF BUSINESS OF THE COMPANY

We operate our activities from our registered office and manufacturing/processing units. Details of which are as following:

#	Place of Business	Location of the property
1.	Registered Office	68/A Netaji Subhas Road, Budge Budge, 24 Pargans (South), West Bengal – 743319
2.	Unit - 1	Chakparan (Boanwala) PO Bawali South 24 Parganas, West Bengal – 700137
3.	Unit - 2	Dongaria, Dakshin Raipur, South 24 Parganas, West Bengal, 743318
4.	Branch Office	419, Sidha Weston, 9, Weston Street, Kolkata, 700013

Note: For detailed information of above mentioned places of business please refer "Land & Properties" in section "Our Business" on page no. 95 of this Draft Prospectus.

PLANT AND MACHINERY

Following is the list of existing machinery operated manually/automatically by the Company:

- | | |
|-------------------------------------|----------------------------|
| 1. Plate Bending Machine | 16. Magnetic Drill Machine |
| 2. Tube Bending Machine | 17. 5" Grinder |
| 3. Hydraulic Press with Accessories | 18. 4" Grinder |
| 4. Lathe Machine 12 Feet | 19. 7" Grinder |
| 5. Lathe Machine 10 Feet | 20. Mobile Crane 14 Mt |
| 6. Lathe Machine 7.5 Feet | 21. H.F Unit With Inverter |
| 7. Milling Machine | 22. Inverter Arc 400 |
| 8. Radial Drill Machine | 23. Rectifiers |
| 9. Pillar Drill Machine | 24. Plasma Cutting Machine |
| 10. Profile Cutting Machine | 25. Electric Compressor |
| 11. Bend Saw Cutting Machine | 26. CPC 180 Compressor |
| 12. Bench Grinder | 27. Hydraulic Jack |
| 13. Pug Cutting Machine | 28. Painting Machine |
| 14. Cut Off Machine 3 Phase | 29. Sand Blasting Machine |
| 15. Cut Off Machine 1 Phase | 30. RMC Batching Plant |

OUR PRODUCT AND THEIR DETAILS:

1. Petroleum Tank Terminal



Petroleum Tank Terminal is an industrial facility for the storage of oil and/or petrochemical products and from which these products are usually transported to end users or further storage facilities. A Petroleum Tank Terminal typically has tankage, either above ground or below ground, and gantries (framework) for the discharge of products into road tankers or other vehicles (such as barges) or pipelines. Petroleum Tank Terminals are usually situated close to oil refineries or in locations where marine tankers containing products can

discharge their cargo. Some depots are attached to pipelines from which they draw their supplies and depots can also be fed by rail, by barge and by road tanker (sometimes known as "bridging"). Most Petroleum Tank Terminals have road tankers operating from their grounds and these vehicles transport products to petrol stations or other users. A Petroleum Tank Terminal is a comparatively unsophisticated facility in that (in most cases) there is no processing or other transformation on site.

The products which reach the depot (from a refinery) are in their final form suitable for delivery to customers. In some cases additives may be injected into products in tanks, but there is usually no manufacturing plant on site. Modern depots comprise the same types of tankage, pipelines and gantries as those in the past and although there is a greater degree of automation on site, there have been few significant changes in depot operational activities over time. Six main products are stored in our Petroleum Tank Terminal:

- a. Petrol (MS)
- b. Diesel (HSD)
- c. Light Diesel Oil (LDO)
- d. Air Turbine Fuel (ATF)
- e. Kerosene Oil (SKO)
- f. Furnish oil (FO)

The above products are supply from petroleum terminal to nearest petrol pump, Thermal Power, Airport and Indian Railway Depot.

2. Heat Exchangers

Heat exchangers are necessary process units that are part of any detailed process flow diagram. Process streams commonly interact through heat exchangers in order to save money on heating and cooling utilities. Furthermore, the surface area of the heat exchanger is proportional to the amount of heat that can be transferred and is the most indicative cost component of a heat exchanger. Typically, the only inputs necessary for heat exchanger models to converge are properly specified inlet streams (flow rate, temperature, pressure, and composition), the pressure drop of flow pathways, and the outlet temperatures or the duty.



3. Electrical Heat Exchangers



When recovery of waste heat via transfer to other process streams is inconvenient or impossible, energy efficiency can still be improved through the regeneration of utilities. This is commonly done through the regeneration of steam by removing heat from exiting streams or from highly exothermic reactions.

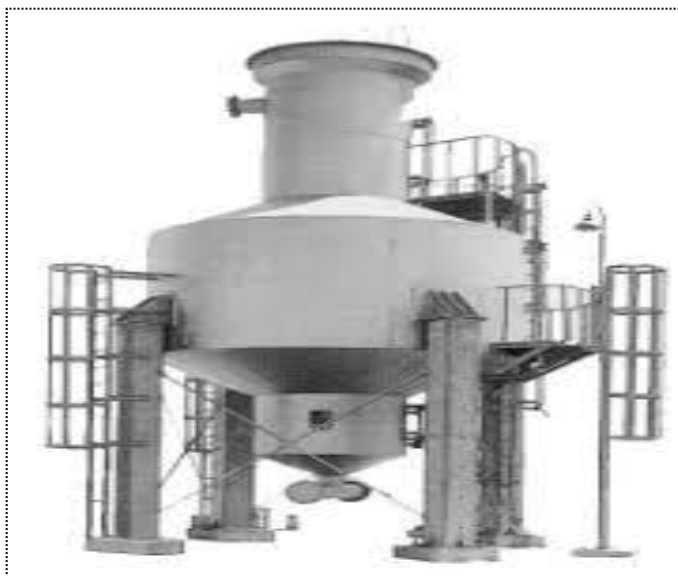
Waste heat in exiting streams can be removed via heat recovery steam generators (HRSGs), and is most often used on exiting gas streams. Heat recovery from reactions is a viable option when the reactor

temperature will be at 150 C or above, as this will create steam at high enough pressure to be used in other processes.

In the case of steam, waste heat and water treatment losses can be recovered from the utility generation process itself. One of the most common ways to do this is with an economizer. As seen in the schematic below, economizers have heat exchangers fit to the exhaust gas flow in order to transfer waste heat from these gases to the incoming boiler feed water. This can result in fuel energy savings of approximately 15% for typical excess air percentages in steam boilers.

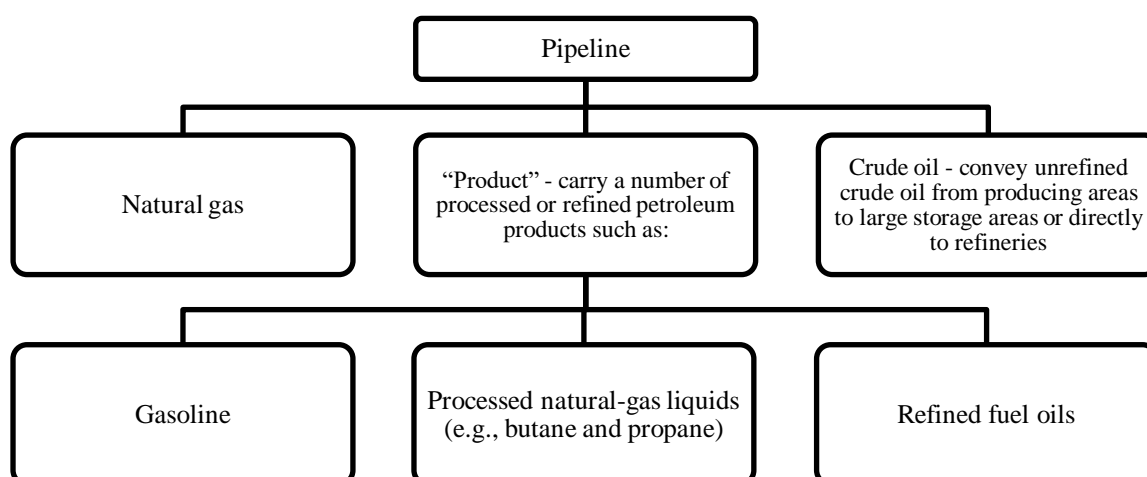
4. Factory Built Tank

A tank used for calibration of large-volume liquid flow meters. Prover tanks and SS foam Tank are generally mounted on mobile trailer units that can be pulled by truck from one location to another. The tanks are made of either stainless steel or carbon steel, and are designed and built with little or no dimensional tolerances. Use of a prover tank and SS foam Tank permits the operator to accurately calibrate the accuracy of liquid flow meters. This prover tank is mainly use for accurate quantity of petroleum product measurement. And SS Foam tank are mainly used for petroleum terminal safety purpose.



5. Pipeline

The transmission pipeline is a “cross-country” pipeline that is specifically designed to transport petroleum products long distances. The transmission pipeline collects the specific petroleum products from many “supply” sources along the pipeline (such as gathering pipelines) and “delivers” the product to one or more end users. There are three general categories of transmission pipelines:



Note: This facility helps to reduce the delivery time and cost of the petroleum product.

6. Piping

Interconnecting piping includes the piping between the various pieces of production/treating equipment such as:

- Production separators
- Line heaters
- Oil heaters
- Pump units
- Storage tanks
- Gas dehydrators

The piping systems may also include:

- Headers
- Fuel systems
- Other utility piping
- Pressure-relief/flare systems

The pipe that delivers the well production to some intermediate or terminal location is the gathering or sales pipeline. The gathering pipeline literally “gathers” the production from producing wells and conveys the production to a collection system, a processing facility, custody-transfer (sales) point, or other. This facility help to reduce the reduce delivery time and cost of the petroleum product

7. Heavy Structure

Heavy structure is used for construction of TWD and TLF gantry which is the outlet for despatch the product for sale. And also its use for construction of heavy shed for boiler hose and construction of lube plant etc.

8. Large Warehouses /LPG Godowns

Its use for storage of LPG cylinder, lube oil, and also storage for construction fittings and utility material.



9. Civil Job

It's required for construction of foundation for petroleum storage tank, dyke wall, drive way for tank lorry movement and pipeline pedestal etc

10. Grease Kettle

Grease Kettle can be used for the complete grease manufacturing cycle - saponification, grease finishing and cooling. However, the process time is extended when compared to saponification being performed in a



Grease Base Reactor. The Reactor with its jacketed vessel construction - jackets over both the shell and cone sections - and double wall construction inner circulation tube offers a greatly increased surface area for transfer of heat to the soap. Coupled with this is the dramatically increased rate of product circulation brought about by the bottom propeller agitator that operates at full or half motor speed (typically 1750/875 rpm or 1500/750 rpm.) This type of agitation/mixing action ensures a homogeneous soap base for transfer to the Grease Finishing/Cooling Kettle where the balance of oils and additives are charged and the final grease product manufactured.

11. Pressure Vessel

Pressure vessels are large containers that are used to hold gases or liquids at high temperatures.

12. IBR Pipeline

This is use for high quality process pipeline lying like boiler stream line gas pipeline etc. We have constructed several tanks and IBR Pipeline under the inspection of renowned agencies such as:

- Engineers India Ltd.
- Bureau Veritas.
- Lloyd's Register.
- Indian Registrar of Shipping.
- Mecon Ltd.

13. We also offer mechanical and structural design and engineering services for:

- Tankages
- Plant Pipelines
- Cross country pipelines
- Heavy structural
- Large warehouses
- Petroleum installations
- Process Equipments
- Canopy for Petroleum Retail Outlet

14. Equipment Erection

We have regularly been undertaking heavy and complex erection of different types of equipments like vent stacks, columns, loading arms etc. These jobs are usually carried out at the most critical location in the running plants. We employ well experienced erection engineers and a separate skilled erection task force to execute such high precision erection objects. High importance is also given to the aspect of safety during these projects.

15. Other Services Provided

We also provide our service for:

- Heat exchangers
- Columns

- Installation of column trays & internals
- Piping

OUR STRENGTHS

• **Qualified & Experienced Team**

We are a professionally managed organisation. Our Company has strong, stable and entrepreneurial management team with domestic experience in each of our business. The Promoters and the senior management team of our Company have significant industry experience and have been instrumental in the consistent growth of our Company's performance. Our Managing Director, Mr. Mihir Kumar Roy has more than 35 years of experience in constructing Petroleum Storage Tanks, Pipelines and other industrial structures all over India. We believe that our management team's experience and their understanding of the industrial structures segment will enable us to continue to take advantage of both current and future market opportunities. It is also expected to help us on addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent distributors, and fluctuations in prices.

For further details on education, experience and other details of our Management and our Key Managerial Personnel, kindly refer to the Chapter titled "*Our Management*" beginning on page no. 130 of this Draft Prospectus.

• **State of the art processing unit**

Versatility as well as quality is part of the portfolio of our Company. We process our products at our state of the art facilities at:

- *Chakparan (Boanwala) PO Bawali South 24 Parganas West Bengal, Kolkata - 700137*
- *Dongaria, Dakshin Raipur, South 24 Parganas, West Bengal, 743318*

With latest technology, advance machines and equipments, we maintain the quality of the product in a best possible manner.

• **Proven capabilities**

We believe that our knowledge of the local market, technology and complementary capabilities enable us to leverage opportunities for our business across industry sectors and geographies. We believe that our track record of growth, project execution and quality control provide us with a further competitive advantage. Our track record enables us to pre-qualify for certain EPC tenders and to evaluate potential projects, understand and assess project risks, including complex technologies, difficult terrain or the viability of fixed price contracts, to selectively enter into markets or accept projects where we believe we have a competitive advantage.

• **Recognised and Established Customer Base**

With our unsurpassed quality and reliability in our products and excellence in our service, we have earned a recognised and established customer base all over India. The customers include:

1. Indian Oil Corporation Limited (Work Place - All India)
2. Hindustan Petroleum Corporation Limited (Work Place - All India)
3. Bharat Petroleum Corporation Limited (Work Place - All India)
4. Indian Oil Tanking (Work Place - All India)
5. Balmare Lawrie Co. Ltd. (Work Place - All India)
6. IMC Limited (Work Place - All India)

- **Ability to bring clients' vision to a reality**

Utilizing the experience of our engineering department and manufacturing personnel, we bring clients' vision to a reality. From art and unique structures to detailed equipment, we assist clients to achieve their objectives.

Our Company is being equipped with the latest machinery and highly skilled personals. We are backed by a strong infrastructural base, which is well equipped with latest technology, advance machines and equipments which assist us in maintaining the quality and quantity of our products.

We have a strong focus on manufacturing process and have a full fledged quality testing laboratory and well qualified and experienced personnel. All raw materials and consumables are tested at various stages in processing process as per stipulated standards to ensure good quality products.

- **Procurement of Raw Materials**

Our main raw materials are Steel, Paints and Pies & fittings. We procure Paints directly from manufacturers, i.e., Berger Paints Ltd. and Asian Paints Limited, and Pies & fittings are procured from the directly from manufacturers which are approved by the clients. We procure steel from the authorized dealers of SAIL and Tata. Our Company has a policy of no compromise on quality of the raw materials. Thus, we procure raw materials only of reputed manufacturers.

- **Technology, research and development and know-how**

We benefit from our access to advance technology, research and development and know-how of our Promoters, particularly the tankages and plant pipelines capabilities of global standards. Our Company is being equipped with the latest machinery and highly skilled personals. We are backed by a strong infrastructural base, which is well equipped with latest technology, advance machines and equipments which assist us in maintaining the quality and quantity of our products.

OUR STRATEGIES

- **Enhance customer base by entering new geographies:**

We seek to expand and enhance our presence in our existing business segments by identifying markets where we can make our product available to our target customers. This will be a strategy that our Company will adopt in the near and middle term. Our Company continues to explore opportunities in numerous states in the India where it can supply its products to enhance its domestic reach.

- **Maintaining Quality Standards**

With creativity in every aspect of operations and determination to provide solution to complex technological problems in design, engineering, manufacturing and the zeal to provide best results despite of all constraints in field jobs, have provided M K Roy & Bros. recognition for quality and all round excellence.

Our driving force has always been the quality of our products, as the same would enable us for long standing relationship with our customers and acceptability by consumers. For us quality assurance is a planned and systematic approach to quality evaluation and adherence to product standards, processes, and procedures. A regular research of the market trends to know latest technological development and the preferences of our customers has given us a competitive edge in improving on the standards of the quality of our products.

Our technically qualified persons are determined to achieve the objective of zero defects and zero rejection. We have always designed and manufactured our petroleum tanks with an emphasis on quality, safety and environmental responsibility. We will not compromise these priorities when it comes to the manufacturing process.

- **Versatility in Product range**

Produced to highest standards and tailor made to each and every customer's specification, the tanks are flexible in construction and design. Catering to the oil industry of diverse segments, we have become a trusted name and epitomize innovation with high degree of functionality.

BUSINESS MODEL

Our EPC Business provides integrated engineering, procurement and construction services to the oil and gas sector. We believe we have developed core competencies in project management, design optimisation and large-scale procurement and capture a significant portion of the EPC value chain through our execution expertise in construction services.

We categorise our EPC Business into four broad categories: Design and engineering services, procurement services, construction services. Our EPC Business offers these services on a fully integrated basis and individually.

Procurement Services

Our procurement services include traditional procurement services such as strategic sourcing from India through the network of companies, material management, contract management, buying, expediting, supplier quality inspection and logistics.

Construction Services

Our construction services include comprehensive site fabrication, erection and construction services. We provide skilled manpower and specialized construction equipment and machinery. Our construction services also include selection of construction contractors, resource suppliers, warehouse management, quality control and assurance and progress monitoring and scheduling. As part of construction services, we also mobilise and

demobilise resources by engaging sub-contractors to supplement our resources. We undertake total site responsibility from survey and soil investigation to mechanical completion and assistance in commissioning. We also undertake pre-fabrication work at our workshops in Kolkata.

Pre-qualification and Project Tenders

Our EPC Business typically pursues projects within the oil and gas sectors that are awarded pursuant to a competitive bidding process that includes domestic EPC firms. We typically bid for projects which are aligned to our business strategy by enabling us to capture a significant portion of the EPC value chain, as well as those that enable us to diversify and leverage our expertise. In selecting contractors or consultants for major EPC projects, customers generally limit the tender to contractors they have pre-qualified based on several criteria including experience, technological capacity and proven track record, reputation for quality, safety record, financial strength and size of previous contracts in similar projects. Within these areas, we seek to enhance our pre-qualification status through concentrated marketing efforts focussed at major oil and gas companies. Following pre-qualification, price is generally the most important selection criterion for winning EPC project awards.

Because of the significant cost and management resources required in preparing a bid for a large contract, we selectively bid for projects based on the customer's reputation and financial strength, our relationship with the customer, the geographic location and the complexity of the work, our current and projected workload, the likelihood of additional on-going work, the project cost and profitability estimates, and our competitive advantage relative to other potential bidders.

Each project is carefully analyzed, and prior to bidding we estimate the costs and analyse the financial and technical aspects of the project. The bid estimate forms the basis of a project budget against which performance is tracked through a project cost system, enabling our management to monitor projects continuously.

As part of the bidding process, we try to obtain quotes from various sub-contractors for the anticipated works to be sub-contracted including piling or enabling works and civil construction works. Typically, we obtain quotes from three or four reputed sub-contractors during the bidding and post-award stage. We subsequently enter into a sub-contract agreement or place a work order.

We believe the terms of the EPC contracts entered into by us with Indian Oil, BPCL and IOCL are consistent with EPC contracts entered into on an arms length basis.

Forms of Contracts and Contract Management

We typically provide our EPC services on a fixed price basis. Under fixed price EPC contracts, the total consideration is typically set by the amount we bid for the project, subject to any change of work orders prior to or during project execution, and we are typically entitled to receive milestone payments under EPC contracts under the terms of each contract in which we have bid. We typically aim to achieve milestone payments that will yield equal payments at regular intervals over the life of the project based on our estimation of completion times of various aspects of the project.

85.0% of the total contract value is linked to achievement of milestones, and the balance of 15.0% is linked to the commissioning of the project. Milestones are generally required to be certified by the customer's project management consultant or engineer in order for the related milestone payment to become due and payable.

Usually, we provide a bank guarantee of 10.0% of the contract value to the customer to ensure our performance under the contract and to cover possible claims during the defect liability period. This bank guarantee is valid for the term of the contract, including the defect liability period.

Our fixed price contracts typically do not provide index based variable-price terms for any costs associated with the project, including commodity costs such as steel. Generally, our contracts contain a clause for compensation for any change in law affecting taxes and duties.

The contract commences on receipt of the letter of award from the customer. We undertake the necessary formalities in respect of mobilisation at site in consultation with the customer and typically submit initial deliverables in accordance with the contract, such as EPC or construction schedules and bank guarantees. During the execution of work, we typically record and notify the customer of delays including the non-availability of fronts, approvals, drawings and decisions by the customer or change of work orders. We also provide cost and time implications in respect of such delays and changes.

We typically get provisional extension of time to complete the project. The customer typically reviews the entire extension of time including issues of reduction in price or payment of damages by us, once the project gets mechanically completed and/or commissioned. A majority of our projects typically have a completion schedule of 6 to 12 months and defects liability period of 12 months from mechanical completion or commissioning, whichever is earlier. The customer typically releases the bank guarantee on the completion of the defects liability period.

EPC Order Book

Our EPC Order Book represents the estimated contract value of the unexecuted portion of our existing EPC contracts, including contracts for internal development projects that do not directly generate external revenues. The Order Book of our EPC Business as of December 31, 2018 was Rs. 17,899.60 Lakhs. However, each of our EPC contracts may be amended during the course of performance. Accordingly, the information in the tables in this section may be subject to change as work on the projects progress.

The following table provides a summary of our EPC Order Book as of December 31, 2018.

#	Description of work	Contract Value Rs. Lakhs	Contract received from (Name of the Principal)	Date of Work Order	Status of work order	Job in progress work order value	Balance Job Value After 31.12.2018
1	RCC Ring wall sand pad foundation , Fabrication, Erection & Commissioning of IFR/CR vertical tanks, cylindrical Horizontal tanks & civil work at New POL Depot, Silchar, Cachar District Assam	1,688.94	Indian Oil Corporation Limited	27.09.2016	Job Is Progress	1,688.94	463.30
2	Reconstruction of new 5 bay TLF with six nos. of loading arms after dismantling of existing TLF at Budge Budge Terminal under West Bengal State Office	222.38	Indian Oil Corporation Limited	25.10.2016	Job Is Progress	222.38	166.23
3	TANK FABRICATION WORKS AT KARGIL , J&K	140.33	Indian Oil Corporation Limited	24.11.2016	Job Is Progress	140.33	44.28
4	MECHANICAL & FIRE FIGHTING WORKS AT LPG BOTTLING PLANT, BUDGE BUDGE (WEST	487.17	Indian Oil Corporation Limited	06.12.2016	Job Is Progress	487.17	220.78

	BENGAL)						
5	FAB/EREC/COMMISSIONING OF 2 X 858 KL ETHANOL & 2 X 1683 KL BIO-DIESEL TANKS AT BUDGE BUDGE	296.99	Bharat Petroleum Corporation Limited	01.07.2016	Job Is Progress	296.99	192.25
6	Mechanical Package consisting of fabrication and erection of product pipelines, Hydrant Pipeline & Utility services, Supply & installation of Vessels & Equipments ,Oil Water Separator system & allied civil works at, Yupia, Papumpare District, Arunachal Pradesh	2,084.67	Indian Oil Corporation Limited	18.02.2017	Job Is Progress	2,084.67	797.09
7	HOT WORK IN ABOVE GROUND TANK 28 & 29 AT IRIMPANAM	346.11	Bharat Petroleum Corporation Limited	16.11.2017	Job Is Progress	346.11	55.61
8	Tank Fabrication at Irumpanam	251.13	Hindustan Petroleum Corporation Limited	20.11.2017	Job Is Progress	251.13	143.31
9	Mechanical Package consisting of fabrication and erection of product pipelines, Hydrant Pipeline & Utility services, Supply & installation of Vessels & Equipments ,Oil Water Separator system & allied civil works at IOLC New Depot, Silchar, Chachar District , Assam	2,561.34	Indian Oil Corporation Limited	12.01.2018	Job Is Progress	2,561.34	2,023.53
10	Fabrication and Laying of pipeline at Durgapur IRD	37.71	Hindustan Petroleum Corporation Limited	18.08.2018	Job Is Progress	37.71	23.15
11	FIRE FIGHTING SYSTEM FOR TWLG AT IRUGUR, TAMILNADU	422.44	Bharat Petroleum Corporation Limited	29.12.2017	Job Is Progress	422.44	249.05
12	ROADS AND DRIVEWAY AT HPCL JATNI LPG TERMINAL ,ORISSA	248.64	Hindustan Petroleum Corporation Limited	13.12.2017	Job Is Progress	248.64	83.57
13	FABRICATION OF TANK AT HPCL MEERUT ,UP	1,660.06	Hindustan Petroleum Corporation Limited	15.12.2017	Job Is Progress	1,660.06	1,088.12
14	FABRICATION AND LAYING OF PIPELINE AT BUDGE BUDGE	390.01	Hindustan Petroleum Corporation Limited	14.02.2018	Job In Progress	390.01	301.34
15	FABRICATION OF TANK AT BITONI M.P	253.70	Bharat Petroleum Corporation Limited	24.01.2018	Job In Progress	253.70	206.14
16	CIVIL WORK AT JATNI HPCL LPG TERMINAL , WEST BENGAL	294.34	Hindustan Petroleum Corporation Limited	19.01.2018	Job In Progress	294.34	294.34
17	Supply of Fabrication , Erection, Testing & Commissioning of Tanks, Process, Utility, Piping, Equipment erection and associated works at IOCL Lube Blending Plant, Paharpur , Kolkata	2,359.02	Indian Oil Corporation Limited	31.05.2018	Job In Progress	2,359.02	2,298.82
18	Pipeline Laying Jobs for TWD Kolkata, HPCL Budge II Terminal, WEST BENGAL	1,096.15	Hindustan Petroleum Corporation	16.08.2018	Job In Progress	1,096.15	1,096.15

			Limited				
19	Miscellaneous pipeline and allied works for the proposed grass root petroleum storage terminal, Himachal Pradesh	1,089.15	Indian Oil Corporation Limited	04.11.2018	Job In Progress	1,089.15	1,089.15
20	Miscellaneous mechanical and allied works at IOCL, Himachal Pradesh	455.13	Indian Oil Corporation Limited	03.01.2019	Job In Progress	455.13	455.13
21	Construction of a/g atf and fw tank and associate pipeline at cochin afs kerala	265.04	Bharat Petroleum Corporation Limited	10.05.2018	Job In Progress	265.04	265.04
22	Replacement of tank wagon decantation headers at BPCI Budge Budge Terminal ,West Bengal	511.89	Bharat Petroleum Corporation Limited	19.12.2018	Job In Progress	511.89	511.89
23	Construction of new floating roof ms tank at Irugur installation , Tamil Nadu	737.26	Bharat Petroleum Corporation Limited	02.11.2018	Job In Progress	737.26	737.26
TOTAL		17,899.60				17,899.60	12,805.53

COLLABORATIONS

The company has not collaborated nor does it plan any collaboration for conduct of existing business or expansion of business as on the date of this Draft Prospectus.

RAW MATERIALS

Our main raw materials are Steel, Paints and Pies & fittings. We procure Paints directly from manufacturers, i.e., Berger Paints Ltd. and Asian Paints Limited, and Pies & fittings are procured from the directly from manufacturers which are approved by the clients. We procure steel from the authorized dealers of SAIL and Tata. Our Company has a policy of no compromise on quality of the raw materials. Thus, we procure raw materials only of reputed manufacturers.

For the rest of the raw materials & stores, our Company invites quotation from different vendors and the order is placed with the vendor who offers better quality, favourable credit terms and competitive price.

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Over the years, we have developed a large pool of skilled and experienced personnel. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, execution of services within time and quality.

Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans. As at March 31, 2018, we have approximately 500 employees at our registered office, Units and project sites.

These employees look after our operations including production, quality controls, technical and engineering support services, stores and administration, marketing, administration, accounting, secretarial and other functions. Apart from these we also use contract labour services and employ temporary labour on need basis.

FINANCIAL ACHIEVEMENTS OF THE COMPANY

Amount in Rs. Lakhs

Particulars	As on March 31 st			September 30, 2018
	2016	2017	2018	
Share Capital	179.94	179.94	179.94	179.94
Reserves & Surplus	772.07	951.27	1246.11	1465.15
Net Worth	952.01	1131.22	1426.06	1646.22
Total Income	4477.34	4636.16	5996.26	2992.29
PAT	182.42	222.42	338.15	219.04

CAPACITY UTILISATION

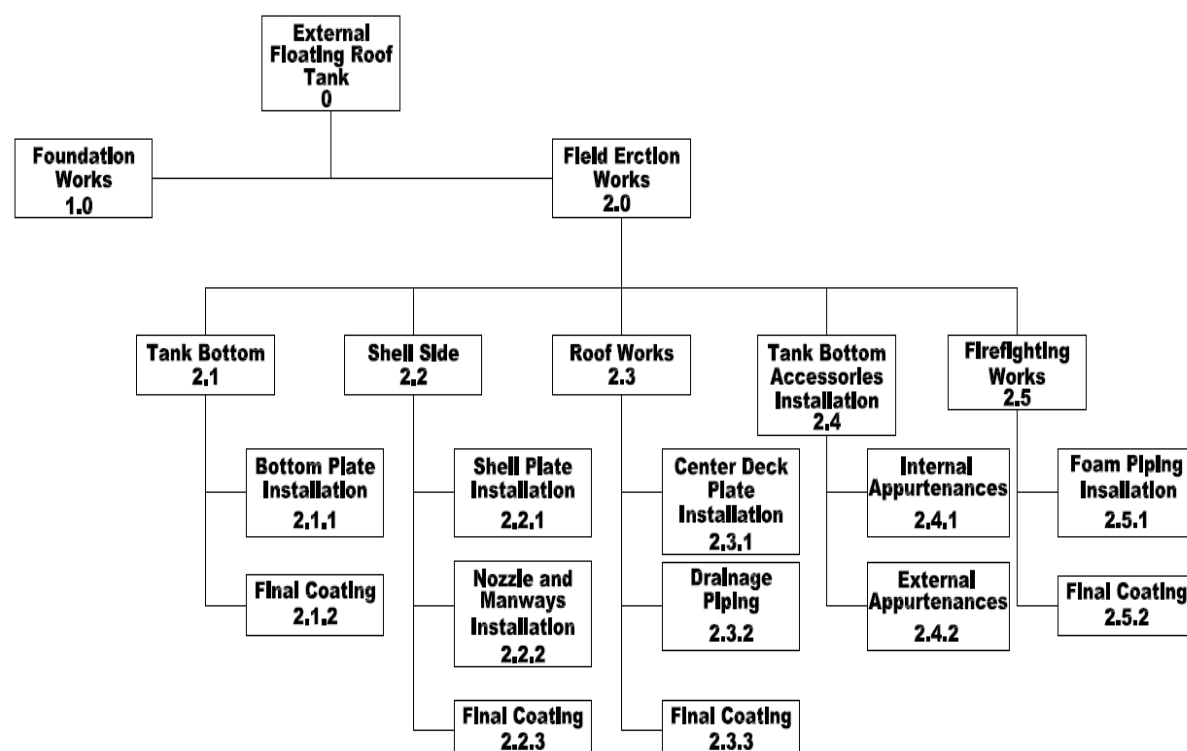
Since the Company has no manufacturing facility, it does not have any clearly definable capacity. The capacity to commission various projects is flexible and the Company hires labour on a contract basis to carry out execution of various projects.

EXPORTS AND EXPORT OBLIGATIONS

We have executed all our projects in India. The Company does not have any export turnover during the financial year 2017-18.

MANUFACTURING PROCESS

The steps involved in the manufacturing process are summarized as under:



TESTING & QUALITY ASSURANCE

Quality is the guiding force at our Company and total quality control is an integral part of our EPC project execution process from raw-material sourcing to the completion of project. Our products are rigorously tested in terms of quality. Quality Management System has been given most importance to meet the customer needs and expectations. In the wake of high competition in all the spheres of business environment it has become more essential to maintain high standards of quality in all the business activities. This is to withstand the stiff competition from the indigenous industry and also to make our product competitive on par with the norms of other organized players. In this background, our products are subject to third party certification by our clients. We have constructed several tanks under the inspection of renowned agencies.

MARKETING AND DISTRIBUTION

For success of our Company, unsurpassed quality and reliability in our products and excellence in our service are crucial aspects. Our Company has strong relationship with our clients who have been associated with our Company from a long period. Our business typically pursues projects within the oil sectors that are awarded pursuant to a competitive bidding process that includes domestic petroleum company. We typically bid for projects which are aligned to our business strategy by enabling us to capture a significant portion of the EPC value chain, as well as those that enable us to diversify and leverage our expertise. Our bidding team has the experienced professionals who continuously communicate with the clients in order to understand their concerns and needs.

We create the market for our product in the following manner:

- Building up relationship with the existing Customers, their interstate Branches, associates and affiliates.
- Participating in the bidding process for projects which are aligned to our business strategy.
- Company's reputation itself helps the company in getting the projects.
- Add management and intercultural expertise.
- Defend our domestic market.
- Increase our competitiveness.

COMPETITION

The industry in which Company operates is highly competitive as the industry has medium players. Among these, competition is highly based on price, technical capability, safety record and the proven ability to complete work on time. Following are our Key Competitors:

1. Thermosystems Pvt. Ltd.
2. Tuaman Engineering Ltd.
3. Nasim Ahsan Construction Pvt. Ltd.
4. Dee Gee Saw and Metal Works Pvt. Ltd.
5. Expo Gas Containers Ltd.
6. Vishal Structures Pvt. Ltd.
7. NRP Projects Pvt. Ltd.
8. Bridge & Roof Co. Ltd.
9. M.P. Engineering (I) Pvt. Ltd.

Competition is moderate in domestic market where players are majorly branded and medium players in market and also there are many small players.

OUR REVENUE SPLIT UP

Our Company has only one business segment i.e. execution of projects on EPC basis. We execute our EPC contracts across India and on a turnkey basis.

Geographical Breakup of our revenue is as below:

(Amount in Rs. Lakh)

#	Area	2017-18	%	2016-17	%	2015-16	%
1	West Bengal	2234.12	32.45	1325.32	27.14	1092.43	23.04
2	Chhattisgarh	0	0	61.99	1.27	127.29	2.68
3	Maharashtra	14.03	0.20	432.02	8.85	1171.42	24.71
4	Jharkhand	50.26	0.73	6.67	0.14	41.02	0.87
5	Orissa	56.26	0.82	624.58	12.79	710.88	14.99
6	Rajasthan	0	0.00	9.79	0.20	7.58	0.16
7	Telangana	0	0.00	71.16	1.46	517.78	10.92
8	Uttar Pradesh	338.36	4.91	360.54	7.38	258.69	5.46
9	Andhra Pradesh	0	0	86.7	1.78	359.68	7.59
10	Assam	1215.79	17.66	192.81	3.95	81.05	1.71
11	Gujarat	0	0	52.88	1.08	82.39	1.74
12	Bihar	382.24	5.55	430.78	8.82	280.16	5.91
13	Delhi	0	0	10.87	0.22	10.86	0.23
14	Arunachal Pradesh	1540.46	22.38	670.17	13.72	0	0
15	Madhya Pradesh	348.3	5.06	52.53	1.08	0	0
16	Tamil Nadu	221.13	3.21	203.73	4.17	0	0
17	J&K	94.97	1.38	290.8	5.95	0	0
18	Kerala	388.79	5.65	0	0	0	0
	TOTAL	6884.71	100.00	4883.34	100.00	4741.23	100.00

INSURANCE

We also maintain insurance covering our assets like Building, plant & machinery and vehicles at levels that we believe to be appropriate for our business.

Some of the major insurance availed by our company are as follows:

#	Name of the Insurance Company	Type of Policy	Validity Period	Details of Assets/Goods covered under the policy	Policy No.	Sum Insured (Rs.)
1.	The Oriental Insurance Company Limited	Contractor All Risk Policy	31.01.2019	HPCL Iriumpannum	311603/44/2018/8	251,13,368
2.	The Oriental Insurance Company Limited	Erection All Risk Policy	04.03.2019	HPCL Budge Budge II Pipeline	311603/44/2018/10	390,01,419

3.	United India Insurance Company Limited.	Contractor All Risk Policy	21.09.2019	IOBL Paharpur Lube Blending Plant	311603/44/2019/1	23,59,01,594
4.	United India Insurance Company Limited.	Contractor All Risk Policy	05.03.2019	IOCL Silchar Pipeline	0301004417P118306069	2170,62,791
5.	United India Insurance Company Limited.	Contractor All Risk Policy	04.06.2019	HPCL Budge Budge II Fire Line	0301004418P108589966	10,96,15,188
6.	United India Insurance Company Limited.	Marin Cargo Policy	17.07.2019	All Over India	0301002118P105152057	4,50,00,000.00
7.	United India Insurance Company Limited.	Contractor Plant & Machinery	22.05.2019	Hydraulic Mobile Carne	0301004417P103623574	13,55,718.00
8.	United India Insurance Company Limited.	Contractor Plant & Machinery	22.05.2019	Vibro Rollar Add90	0301004417P103621723	19,82,451.00
9.	United India Insurance Company Limited.	Motor Insurance Certificate	17.07.2019	JCB JS 81 Excavator	0301004418P105150224	22,00,000.00
10.	Tata Aig Gneral Insurance Co, Ltd	Car Insurance Policy	26.04.2019	Toyota Fortuna Car	0157019080	13,27,550.00
11.	United India Insurance Company Limited.	Motor Car Insurance	04.11.2019	New Bolaro Pick Up Van	0301003118P110002270	4,73,593.00
12.	Tata AIG Gneral Insurance Co. Ltd	Motor Car Insurance	07.03.2019	Escorts Baby Tandom Rollar	260001028400	12,05,334.00
13.	United India Insurance Company Limited.	Burglary Standard Policy	29.07.2019	GODOWN AT CHAKPARAN BOWNWALA	0301001218P105494611	20,00,000.00
14.	United India Insurance Company Limited.	Fire And Special Perlis Policy	28.07.2019	GODOWN AT CHAKPARAN BOWNWALA	030100118P105494415	1,00,00,000.00
15.	Tata AIG General Insurance Company Ltd	Group Mediprime	23.03.2019	All Staff	026000877700	60,00,000
16.	Tata AIG General Insurance Company Ltd	Group Accidental Policy	08.04.2019	All Staff	023594139600	79,00,000.00
17.	Tata AIG General Insurance Company Ltd	Motor Car Insurance	26.04.2019	Bolero Car At Arunachal Pradesh	0157030103	4,00,725.00
18.	United India Insurance Company Limited.	Stock Of Material	24.09.2019	Dakshin Roypur Nodakhali Godown	030100118P109029204	2,00,00,000.00
19.	United India Insurance Company Limited.	Stock Of Material (Buglery)	24.09.2019	Dakshin Roypur Nodakhali Godown	0301001218P109029471	1,80,00,000.00
20.	United India Insurance Company Limited.	Fire and Special Perlis Policy	24.09.2019	Office Equipment At 68/A Ns Road	0301001118P109028484	15,50,000.00
21.	United India Insurance Company Limited.	Buglery Policy	24.09.2019	Office Equipment at 68/A N. S. Road	0301001218P109027885	15,50,000.00
22.	United India Insurance Company Limited.	Fire and Special Perlis Policy	24.09.2019	Office Building , 68/A N. S. Road	0301001118P109029076	17,00,000.00

PROPERTIES


We have taken our Registered Office premises and our premises of our factory at Chakparan (Boanwala) on lease / rental basis, and that the premises of our factory at Dongaria, Dakshin Raipur, is owned by us.

The details of property of our Company are as follows:

#	Particular	Location of the property	Area	Status
1.	Registered Office	68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319	1520 Sq. Ft.	Leasehold
2.	Unit - 1	Chakparan (Boanwala) PO Bawali South 24 Parganas, West Bengal – 700137	2500 Sq. Ft.	Leasehold
3.	Unit - 2	Dongaria, Dakshin Raipur, South 24 Parganas, West Bengal, 743318	20618 Sq. Ft.	Owned
4.	Branch Office	419, Sidha Weston, 9, Weston Street, Kolkata, 700013	350 Sq. Ft.	Leasehold

INTELLECTUAL PROPERTY

Our Company uses the following Trademark which is registered in the name of our Company:

Word Mark/ Trademark	Application No.	Registered in the name of	Class	Current Status	Valid Upto	Consent Letter/Agreement dated
	3916411	M K Roy & Bros Projects Private Limited	42	Objected	Applied for	-

KEY REGULATIONS AND POLICIES

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on 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. For details of government approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page 219 of this Draft Prospectus.

RELATED TO OUR BUSINESS

EPC BUSINESS

Various laws, rules and regulations are applicable to such activity and the same also differs in each jurisdiction. Contracts are executed by the Company pursuant to tenders/ quotations issued by the Government, Government agencies, Government companies, private companies, public companies and multinational companies or by specific orders placed by them. For the purpose of executing the relevant project work, we may be required to obtain certain licenses and approvals depending upon the prevailing laws, rules and regulations applicable in the relevant state. For details of such approvals see the section “Government and other Approvals” beginning on page 219 of this Draft Prospectus.

BUILDING REGULATIONS

In certain of the EPC contracts, the projects which are constructed are required to conform to the applicable regulations and norms pertaining to construction and building activities. Such projects are also subject to various regional specific and sector specific regulations, specifications, bye laws and rules. Certain locations in also prescribe zoning restrictions, which prohibit certain types of constructions within specific zones or areas.

UPSTREAM SERVICES BUSINESS

Under Article 297 of the Constitution of India, jurisdiction over petroleum and natural gas occurring in their natural state in India, is vested with the Union of India. Further, Entry 53 of List I, i.e. the Union List, grants the power to the Central Government to make laws for regulation and development of oilfields and mineral oil resources, petroleum and petroleum products and other liquids and substances declared by Parliament to be dangerously inflammable. The Ministry of Petroleum and Natural Gas (“MoPNG”) is the principal administrator of exploration and production of oil and natural gas in India. MoPNG is responsible for administering the exploration, production, distribution, marketing and pricing of petroleum resources, including crude oil and natural gas, and is also responsible for planning, development and regulation of oil field services.

LABOUR LAWS

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

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

THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (**MSMED Act**) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- i. where the investment in plant and machinery does not exceed twenty-five Lakh rupees shall be regarded as a micro enterprise;
- ii. where the investment in plant and machinery is more than twenty-five Lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- iii. Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier. The MSMED Act provides that the agreed period cannot exceed forty five days from the day of acceptance of goods. The MSMED Act also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises

Facilitation Council (“Council”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

ENVIRONMENTAL REGULATION

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

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

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of standards set down by the State Pollution Control Board (the “State PCB”). The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent.

THE WATER (PREVENTION AND CONTROL OF POLLUTION) CESS ACT, 1977

The Water (Prevention and Control of Pollution) Cess Act, 1977 (the “Water Cess Act”) requires a person carrying on any industry which involves the use of water to pay a cess in this regard. The person in charge is to affix meters of certain prescribed standards in order to measure and record the quantity of water consumed by such industry. Furthermore, a monthly return showing the amount of water consumed in the previous month must also be submitted.

THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. The State PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent referred to in sub-section (1), the State Board shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

THE HAZARDOUS WASTES (MANAGEMENT AND HANDLING) RULES, 1989

The Hazardous Wastes (Management and Handling) Rules, 1989 (the “**Rules**”) require that the occupier and the operator of the facility that treats hazardous wastes, must properly collect, treat, store or dispose the hazardous wastes without adverse effects on the environment. Moreover, they must take steps to ensure that persons working on the site are provided adequate training and equipment for performing their work. When an accident occurs in a hazardous site or during transportation of hazardous wastes, then the relevant State PCB has to be immediately alerted. If, due to improper handling of hazardous waste, any damage is caused to the environment, the occupier or the operator of the facility must pay the necessary remedial expenses.

THE HAZARDOUS WASTE (MANAGEMENT, HANDLING AND TRANSBOUNDARY MOVEMENT) RULES, 2008

The Hazardous Waste (Management, Handling and Trans boundary Movement) Rules, 2008 (the “Hazardous Rules”) states that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or re-user registered or authorized under these rules or should be disposed off in an authorized disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally be responsible for, and identify sites for establishing the facility for treatment, storage and disposal of hazardous wastes for the State.

FACTORIES ACT, 1948

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

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

THE INDUSTRIES (DEVELOPMENT AND REGULATION) ACT, 1951.

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

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

SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013, (the “SHWPPR Act”) aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines ‘sexual harassment’ to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. The government in turn is required to set up a ‘local complaint committee’ at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

THE APPRENTICES ACT, 1961

The Apprentices Act, 1961, as amended (the “Apprentices Act”) regulates and controls the programme of training of apprentices and matters connected therewith. The term ‘apprentice’ means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. ‘Apprenticeship training’ means a course of training in any industry or establishment undergone in pursuance of a contract of

apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

THE EMPLOYEES PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 ("EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT")

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social welfare legislation to provide for the institution of Provident Fund, Pension Fund and Deposit Linked Insurance Fund for employees working in factories and other establishments. The Act aims at providing social security and timely monetary assistance to industrial employees and their families when they are in distress.

The Act is administered by the Government of India through the Employees' Provident Fund Organisation (EPFO). The following three schemes have been framed under the Act by the Central Government:

- (a) The Employees' Provident Fund Schemes, 1952;
- (b) The Employees' Pension Scheme, 1995; and
- (c) The Employees' Deposit-Linked Insurance Scheme, 1976.

The Central Government has been constituted Employees' Provident Funds Appellate Tribunal to exercise the powers and discharge the functions conferred on such by Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

THE EMPLOYEES' STATE INSURANCE ACT, 1948

The Employees' State Insurance Act, 1948, as amended ("**ESI Act**") applies to all factories that are non seasonal in nature and establishments that are notified by the appropriate government in consultation with the Central Government from time to time. The ESI Act provides for a need based social insurance scheme under which the employer and the employee must contribute certain percentage of the monthly wage as prescribed by the Central Government from time to time to the Employees State Insurance Corporation established under the ESI Act. In case the contribution is not paid by the principal employer as per the provisions of the ESI Act, the principal employer shall be liable to pay simple interest at the rate of 12 % p.a or at such higher rate as may be specified in the ESI Act and the rules there under till the date of its actual payment. The ESI Act provides for benefits to employees in case of sickness, maternity and employment injury. However, where an employee is covered under the ESI scheme, (a) compensation under the Workmen's Compensation Act, 1923 cannot be claimed in respect of employment injury; and (b) benefits under the Maternity Benefits Act, 1961 cannot be claimed. In addition, the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities.

THE EMPLOYEES COMPENSATION ACT, 1923

The Employees Compensation Act, 1923 ("**EC Act**"), provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of receiving a notice.

THE EQUAL REMUNERATION ACT, 1976

The Equal Remuneration Act, 1976, as amended (“ER Act”) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

THE MATERNITY BENEFIT ACT, 1961

The Maternity Benefit Act, 1961, as amended (“**Maternity Benefit Act**”) regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

THE PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 as amended (the “Payment of Bonus Act”) was enacted to provide for the payment of bonus to persons employed in establishments where 20 or more persons are employed on any day during an accounting year. The Payment of Bonus Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer any allocable surplus in the accounting year in which the bonus is payable. Under the Payment of Bonus Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or Rs.100, whichever is higher. Contravention of the provisions of the Payment of Bonus Act by a company is punishable with imprisonment for a term of up to six months or a fine of up to Rs. 1,000 or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company.

THE PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act, 1972 as amended (the “Payment of Gratuity Act”) provides for payment of gratuity to an employee at the time of termination of services. Payment of Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding 12 months; and as the Central Government may, by notification, specify. Gratuity under the Payment of Gratuity Act, is payable to an employee after he has rendered his services for a period not less than five years: (a) on his / her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). Under the Payment of Gratuity Act, the maximum gratuity payable may not exceed Rs.1,000,000.

THE PAYMENT OF WAGES ACT, 1936

The Payment of Wages Act, 1936 as amended (the “**Payment of Wages Act**”) has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorized deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in

paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods.

TAXATION LAWS

INCOME-TAX ACT, 1961

The government of India imposes an income tax on taxable income of all persons including individuals, Hindu Undivided Families(HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

PROFESSION TAX

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

INTELLECTUAL PROPERTY LAWS

TRADEMARKS ACT, 1999 (TM Act)

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure. As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

COPYRIGHTS ACT, 1957 (Copyright)

The Copyrights Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. Following the issuance of the International Copyright Order, 1999, subject to certain exceptions, the provisions of the Copyright Act apply to nationals of all member states of the World Trade Organization.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act also provides for criminal remedies, including imprisonment of the accused, imposition of fines and seizure of infringing copies.

PATENTS ACT, 1970 (Patent Act)

The purpose of the Patent Act in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first invention in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

THE INFORMATION TECHNOLOGY (“IT”) ACT, 2000

This Act aims to provide the legal infrastructure for e-commerce in India. And the cyber laws have a major impact for e-businesses and the new economy in India. So, it is important to understand what are the various perspectives of the IT Act, 2000 and what it offers. The Information Technology Act, 2000 also aims to provide for the legal framework so that legal sanctity is accorded to all electronic records and other activities carried out by electronic means. The Act states that unless otherwise agreed, an acceptance of contract may be expressed by electronic means of communication and the same shall have legal validity and enforceability.

PROPERTY RELATED LAWS

TRANSFER OF PROPERTY ACT, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by the operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act”). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

THE INDIAN STAMP ACT, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the “Stamp Act”) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at

all Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

IN GENERAL

THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013

The consolidation and amendment in law relating to the Companies Act, 1956 made way to enactment of the 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 and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act 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. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The 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 of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. 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, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

THE COMPETITION ACT, 2002

The Competition Act, 2002 (the "Competition Act") prohibits anti competitive agreements, abuse of dominant positions by enterprises and regulates "combinations" in India. The Competition Act also established the Competition Commission of India (the "CCI") as the authority mandated to implement the Competition Act. The provisions of the Competition Act relating to combinations were notified recently on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. A combination is defined under Section 5 of the Competition Act as an acquisition, merger or amalgamation of enterprise(s) that meets certain asset or turnover thresholds. There are also different thresholds for those categorized as Individuals and Group. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is Likely to have an appreciable adverse effect on competition in India. Effective June 1, 2011, all combinations have to be notified to the CCI within 30 days of the execution of any agreement or other document for any acquisition of assets, shares, voting rights or control of an enterprise under Section 5(a) and (b) of the Competition Act (including any binding document conveying an agreement or decision to acquire control, shares, voting rights or assets of an enterprise); or the board of directors of a company (or an equivalent authority in case of other entities) approving a proposal for a merger or amalgamation under Section 5(c) of the Competition Act. The obligation to notify a combination to the CCI

falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

CONSUMER PROTECTION ACT, 1986 (COPRA)

The Consumer Protection Act, 1986 (“COPRA”) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

THE INDIAN CONTRACT ACT, 1872 (“CONTRACT ACT”)

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

INDUSTRIAL DISPUTES ACT, 1947 (“ID ACT”) AND INDUSTRIAL DISPUTE (CENTRAL) RULES, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lockouts, closures, lay-offs and retrenchment.

FINANCE ACT, 2018

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

GOODS AND SERVICES TAX

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

- Central Goods and Services Tax Act, 2017
- Integrated Goods and Services Tax Act, 2017

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

TAXES ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS

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

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Our Company was incorporated as M K Roy & Bros Projects Private Limited, as a private limited company, under the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2000, bearing registration number '092689' and CIN U45209WB2000PTC092689 issued by the Registrar of Companies, West Bengal at Kolkata. Our Company has subsequently converted into a public company and consequently the name of the Company has been changed to M K Roy & Bros Projects Limited vide fresh Certificate of Incorporation consequent upon the change of name dated December 13, 2018 issued by the Registrar of Companies, West Bengal at Kolkata.

The new Corporate Identification Number of our Company is U45209WB2000PLC092689. Our Company is a constructor and fabricator of Petroleum Storage Tank (Vertical Cone Roof, Floating Roof and Horizontal UG Tank), Fire Hydrant pipeline, Foam system, Sprinkler system TDW & TLF gantry and other supply of materials across India. Our Company execute project on Engineering, Procurement and Construction (EPC) basis. Our Company is promoted by Mr. Mihir Kumar Roy and Mrs. Sulekha Roy.

CHANGES IN OUR REGISTERED OFFICE

Our Company's Registered Office is currently situated at 68/A Netaji Subhas Road, Budge Budge, 24 Pgs (South), - 743319. There is no change in the address of the Registered Office of our Company since Incorporation.

MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To acquire and to take over as a going concern the business of M/s. M K Roy & Bros a partnership concern carrying on the business of Civil, Mechanical and Electrical Engineers and Contractors with all its assets, liabilities.
2. To carry on the business of constructional engineering and to build, construct, execute, carry out, equip, maintain, pull down, remove, replace, repair, improve, develop, renovate, pave, excavate, manage, control and supervise constructional work of any type or any kind and complete all civil, structural, electrical, mechanical engineering works, electrical fittings pertaining to such construction which may be deemed necessary for the completion of work.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, the following amendments have been made to the MoA of our Company:

Details of Shareholders Approval	Type of General Meeting	Amendments
May 30, 2003	EGM	Our Initial Authorized Capital Rs. 25,00,000 consist 2,50,000 Equity

		Shares face value of Rs. 10 Each was increased to Rs. 50,00,000 consist of 5,00,000 Equity Shares face value of Rs. 10 Each
February 01, 2006	EGM	Authorized Capital of Rs. 50,00,000 consist of 5,00,000 Equity Shares face value of Rs. 10 Each was increased to Rs. 1,00,00,000 consist of 10,00,000 Equity Shares face value of Rs. 10 Each.
March 01, 2008	EGM	Authorized Capital of Rs. 1,00,00,000 consist of 10,00,000 Equity Shares face value of Rs. 10 Each was increased to Rs 1,25,00,000 consist of 12,50,000 Equity Shares face value of Rs. 10 Each
December 05, 2009	EGM	Authorized Capital of Rs 1,25,00,000 consist of 12,50,000 Equity Shares face value of Rs. 10 Each was increased to Rs. 2,00,00,000 consist of 20,00,000 Equity Shares face value of Rs. 10 Each
September 29, 2018	AGM	Converted From Private Limited Into Public Limited Company i.e from M K Roy & Bros Projects Private Limited to M K Roy & Bros Projects Limited. (<i>Fresh Certificate of Incorporation consequent upon the change of name dated December 13, 2018 was issued by the Registrar of Companies, West Bengal at Kolkata</i>)
December 21, 2018	EGM	Authorized Capital of Rs. 2,00,00,000 consist of 20,00,000 Equity Shares face value of Rs. 10 Each was increased to Rs.3,00,00,000 consist of 30,00,000 Equity Shares face value of Rs. 10 Each

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Event
2000	Incorporation as a private limited company
2000	Takeover of M/s. M K Roy & Bros, a partnership firm, as a going concern
2011	Bagged highest value order of above Rs. 1,500 Lakhs
2016	BPCL Best Performer in Quality Standard in the year 2015-16
2017	Bagged highest value order of above Rs. 2,000 Lakhs
2017	SME 100 Award for the year 2016-17
2018	Converted into public limited

DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of our company's activity, business model, marketing strategy, strength, completion of business, please see our " 'Business' , 'Management Discussion and Analysis of Financial Conditions' and "Basis For Issue Price " on page 95, 204 and 76 respectively.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Companies as on the date of filing of this Draft Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has one Subsidiary Company i.e. MKR Distilleries Private Limited. For further details of same please refer page number 150 of this Draft Prospectus.

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT:

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled '*Financial Debtiness*' and '*Capital Structure*' beginning on page number 202 and 53, respectively, of this Draft Prospectus.

REVALUATION OF ASSETS:

Our Company has not re-valued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this Draft Prospectus, there has been no change in the activities being carried out by our Company during the preceding five years from the date of this Draft Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

INJUNCTIONS OR RESTRAINING ORDERS:

Our Company is not operating under any injunction or restraining order.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

STRIKES AND LOCK-OUTS:

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS:

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

SHAREHOLDERS' AGREEMENT

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and agreement with Mr. Mihir Kumar Roy, Chairman & Managing Director and with Mrs. Sulekha Roy, Executive Director for their appointment as on the date of filing of this Draft Prospectus.

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Draft Prospectus.

FINANCIAL PARTNERS

As on the date of this Draft Prospectus, our Company does not have any financial partners.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS:

Our Company has taken Credit facilities from Dena Bank vide Sanction letter Ref no. KZO/ADV/0805/2018-19 dated August 08, 2018. The Bank has issued us “No Objection Certificate” in relation to our IPO vide letter dated September 25, 2018.

DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKING MERGERS, AMALGAMATION, REVALUTAION OF ASSETS ETC.

There is no Merger, Amalgamation etc. with respect to our Company and we have not acquired a business undertaking in last five years.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has seven shareholders as on date of the Draft Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 53 of this Draft Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 95 and 126 respectively of this Draft Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non- recurring items of income, refer to section titled “Financial Statements” beginning on page 158 of this Draft Prospectus.

SHAREHOLDER AGREEMENT

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

COLLABORATION AGREEMENT

As on the date of this Draft Prospectus, Our Company is not party to any collaboration agreement.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013.

As on date of this Draft Prospectus, our Board consist of 6 (Six) Directors. Mr. Mihir Kumar Roy is the Chairman & Managing Director of our Company. The Board consists 3 (Three) Executive Directors and 3 (Three) Non-Executive Independent Directors.

S.N	Name	DIN	Category	Designation
1.	Mr. Mihir Kumar Roy	00334729	Executive	Managing Director
2.	Mrs. Sulekha Roy	00334885	Executive	Whole Time Director
3.	Ms. Pritha Roy	06396602	Executive	Whole Time Director
4.	Mr. Dhananjay Kumar	03499130	Non Executive	Independent Director
5.	Mr. Suresh Chandra Singh	08225440	Non Executive	Independent Director
6.	Mr. Pradosh Kiran Majumder	08340229	Non Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Prospectus:

#	Name, Father's/Husband's Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
1	Mr. Mihir Kumar Roy S/o Mr. Kumud Chandra Roy Designation: Chairman and Managing Director (Executive) Address: 26/7, Shahid Khudiram Bose Road Budge Budge, South 24 Parganas, Kolkata - 700137 Nationality: Indian Age: 60 years Occupation: Business DIN: 00334729	Date of appointment: Re-appointed as Chairman and Managing Director w.e.f. September 29, 2018 Term: 3 years; Liable to retire by rotation.	Public Limited Companies: Nil Private Limited Companies: MKR Distilleries Pvt. Ltd.
2	Mrs. Sulekha Roy D/o Mr. Balai Chandra Jashu Designation: Wholetime Director Address: 26/7, Shahid Khudiram Bose Road Budge Budge, South 24 Parganas Kolkata - 700137 Nationality: Indian	Date of appointment: Appointed as Wholetime Director w.e.f. September 29, 2018. Term: 3 years; Liable to retire by rotation.	Public Limited Companies: Nil Private Limited Companies: MKR Distilleries Pvt. Ltd.

#	Name, Father's/Husband's Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
	Age:52 Occupation: Business DIN:00334885		
3	Ms. Pritha Roy D/o Mr. Mihir Kumar Roy Designation: Wholetime Director Address: 26/7, Shahid Khudiram Bose Road Budge Budge, South 24 Parganas Kolkata - 700137 Nationality: Indian Age:28 years Occupation: Business DIN:06396602	Date of appointment: Appointed as Wholetime Director w.e.f. September 29, 2018. Term: 3 years; Liable to retire by rotation.	Public Limited Companies: Nil Private Limited Companies: Nil
4	Mr. Dhananjay Kumar S/o Mr. Ranbir Kumar Sinha Designation: Director (Independent) Address: Flat No. 703, Beach Apartment, Seven Bungalows, J.P. Road, Near Picnic Cottage, Andheri West, Mumbai Maharashtra – 400061 Nationality: Indian Age:45 years Occupation: Engineer DIN: 03499130	Date of appointment: Appointed as Independent Director w.e.f. September 20, 2018 Term: 5 years, up to September 29, 2023; Not liable to retire by rotation.	Public Limited Companies: Nil Private Limited Companies: Lyra Health Care Pvt. Ltd. Shezar Edubox Pvt. Ltd. Shezar Web Technologies Pvt. Ltd. Babyfield Creations Pvt. Ltd. Shezartech Labs Pvt. Ltd.
5	Mr. Suresh Chandra Singh S/o Mr. Sirtaj Singh Designation: Director (Independent) Address: Flat 14D, Tower-3, 58, MG Road, Tollygunge, Kolkata – 700 041 Nationality: Indian Age:59 years Occupation: Engineer	Date of appointment: Appointed as Independent Director w.e.f. September 20, 2018 Term :5 years, up to September 22, 2023; Not liable to retire by rotation.	Public Limited Companies: Nil Private Limited Companies: Nil

#	Name, Father's/Husband's Name, Designation, Address, Nationality, Age, Occupation and DIN	Date of Appointment as Director and Term of Office	Other Directorships
	DIN: 08225440		
6.	<p>Mr. Pradosh Kiran Majumder s/o Mr. Panna Lal Majumder</p> <p>Designation: Director</p> <p>Address: 87/19/1, Bose Pukur Road, P.O.- Kasba, P.S.- Kasba, DIST – 24 Parganas(South), Kolkata-700 042</p> <p>Nationality: Indian</p> <p>Age:28 years</p> <p>Occupation: Professional</p> <p>DIN: 08340229</p>	<p>Date of appointment:</p> <p>Appointed as Independent Director w.e.f. January 24, 2019</p> <p>Term :Up to ensuing AGM ; Not liable to retire by rotation.</p>	<p>Public Limited Companies:</p> <p>Nil</p> <p>Private Limited Companies:</p> <p>Nil</p>

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Mihir Kumar Roy, aged 60 years, is the Chairman & Managing Director of our Company. Mr. Mihir is the Promoter Director of the Company. He is a Science graduate. Mr. Mihir is a renowned industrialist in Kolkata. He has vast knowledge and experience in the field on Engineering section, specially Petrol Tank and pipeline etc. Presently, he supervises the Engineering work and responsible for overall financial as well as operational management of the Company. He has played a key role in growth and development of the Company.

Mrs. Sulekha Roy, aged 52 years, is the Whole-time Director of our Company. Mrs. Sulekha is the Promoter Director of the Company. She is an Art graduate. She is expert in the administrative field of the Company. She supervises the administrative work and responsible for overall administrative work of the Company. She has played a key role in growth and development of the Company.

Ms. Pritha Roy, aged 28 years, is a Whole-time Director of our Company. She is holding degree of Bachelor of Laws and Master of Laws. She has experience of over 2 years in legal and statutory matters. Initially she joined the Company as Director on October 01, 2012, and appointed as Whole Time Director of the Company on September 29, 2018.

Mr. Dhananjay Kumar, aged 45 years, is an Independent Director of our Company. He is a Bachelor of Technology in Computer Science and Technology by profession. He has also completed the full time one year Post- Graduate Programme in Management for Executives (PGPX) at the Indian Institute of Management, Ahmadabad. Mr. Dhananjay Kumar has experience of over 23 years in technology and administration with leadership roles managing large teams. He was appointed as an Independent Director of our Company from September 20, 2018.

Mr. Suresh Chandra Singh, aged 59 years, is an Independent Director of our Company. He has done Bachelor of Technology in Mining Engineering from Banaras Hindu University. He has experience of over 21

years in the field of engineering. He was appointed as an Independent Director of our Company from September 20, 2018.

Mr. Pradosh Kiran Majumder, aged 28 years, is Non Executive Independent Director of our Company. He has done B.A.LLB from South Calcutta Law College Calcutta University. He has experience of over 4 years in the field of Litigation and judicial matters. He was appointed as Non Executive Director of our Company from January 24, 2019.

Note:

- 1) *None of the above mentioned Directors are on the RBI List of wilful defaulters as on the date of this Draft Prospectus.*
- 2) *None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 3) *None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

FAMILY RELATIONSHIP BETWEEN DIRECTORS

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:

Sr. No.	Name of the Director	Relationship with other Director
1	Mr. Mihir Kumar Roy	Husband of Mrs. Sulekha Roy and Father of Ms. Pritha Roy.
2	Mrs. Sulekha Roy	Wife of Mr. Mihir Kumar Roy and Mother of Ms. Pritha Roy.
3	Ms. Pritha Roy	Daughter of Mihir Kumar Roy and Mrs. Sulekha Roy.

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension

None of our Directors is / was a Director in any listed company during the last five years before the date of filing this Draft Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

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

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

i. EXECUTIVE DIRECTORS

Name	Mr. Mihir Kumar Roy	Mrs. Sulekha Roy	Ms. Pritha Roy
Designation	Chairman & Managing Director	Whole-time Director	Whole-time Director
Period	Three Years from September 29, 2018	Three Years from September 29, 2018	Three Years from September 29, 2018
Date of approval of shareholder	September 29, 2018	September 29, 2018	September 29, 2018
Remuneration	Salary of Rs. 8,00,000 Per Month	Salary of Rs. 2,00,000 Per Month	Salary of Rs. 2,00,000 Per Month
Perquisite	<p>Category A:</p> <ol style="list-style-type: none"> 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. <p>Category B:</p> <ol style="list-style-type: none"> 1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company. 2. Encashment of leave as per the rules of the Company <p>Category C:</p> <ol style="list-style-type: none"> 1. Car, telephone at residence and mobile phone for use on Company's business 	<p>Category A:</p> <ol style="list-style-type: none"> 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. <p>Category B:</p> <ol style="list-style-type: none"> 1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company. 2. Encashment of leave as per the rules of the Company <p>Category C:</p> <ol style="list-style-type: none"> 1. Car, telephone at residence and mobile phone for use on Company's business 	<p>Category A:</p> <ol style="list-style-type: none"> 1. Medical Reimbursement for self and family as per the rules of the Company. 2. Leave Travel Reimbursement of domestic & foreign along with family as per the rules of the Company. <p>Category B:</p> <ol style="list-style-type: none"> 1. Contribution to Provident Fund, Superannuation Fund, Annuity Fund or Gratuity as per the rules of the Company. 2. Encashment of leave as per the rules of the Company <p>Category C:</p> <ol style="list-style-type: none"> 1. Car, telephone at residence and mobile phone for use on Company's business

ii. Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Prospectus:

#	Name of the Directors	No. of Equity Shares held	% of pre-issue paid-up Equity Share capital in our Company
1.	Mr. Mihir Kumar Roy	9,16,950	50.96%
2.	Mrs. Sulekha Roy	3,72,050	20.68%
3.	Ms. Pritha Roy	Nil	Nil
4.	Mr. Dhananjay Kumar	Nil	Nil
5.	Mr. Suresh Chandra Singh	Nil	Nil
6.	Mr. Pradosh Kiran Majumder	Nil	Nil

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Whole-Time Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except Promoters, none of our Directors have any interest in the promotion of our Company.

Interest in the property of Our Company

Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Prospectus. Our Directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in “Related Party Transaction” in the chapter titled “*Financial Information*” beginning on page number 158 of this Draft Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

DETAILS OF SERVICE CONTRACTS

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as Managing Director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

BONUS OR PROFIT SHARING PLAN FOR THE DIRECTORS

There is no bonus or profit sharing plan for the Directors of our Company.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

No Director has received or is entitled to any contingent or deferred compensation.

OTHER INDIRECT INTEREST

Except as stated in chapter titled “*Financial Information*” beginning on page 158 of this Draft Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

BORROWING POWER OF THE BOARD

In terms of the special resolution passed in the Annual General Meeting of our Company held on September 29, 2018, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to borrow any sum or sums of monies from time to time notwithstanding that the money or monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of the business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided that the total amount which may be so borrowed by the Board of Directors and outstanding at any time (apart from temporary loans obtained from the Company’s bankers in the ordinary course of the business) shall not exceed Rs. 100.00 Crores (Rupees hundred Crores Only) over and above the paid- up share capital and free reserves of the Company for the time being.

CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Appointment / change in designation	Date of Resignation	Reason for Change
Mr. Mihir Kumar Roy	September 29, 2018	-	Re-appointment as Chairman & Managing Director
Mrs. Sulekha Roy	September 29, 2018	-	Appointment as Whole time Director
Ms. Pritha Roy	September 29, 2018	-	Appointment as Whole time Director
Mr. Dhananjay Kumar	September 20, 2018	-	Appointment as Independent Director
Mr. Suresh Chandra Singh	September 20, 2018	-	Appointment as Independent Director
Mr. Pradosh Kiran Majumder	January 24, 2019	-	Appointment as Independent Director

CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

Composition of Board of Directors

As on date of this Draft Prospectus, our Board consist of 6 (Six) Directors. Mr. Mihir Kumar Roy is the Chairman & Managing Director of our Company. The Board consists 3 (Three) Executive Directors and 3 (Three) Non-Executive Independent Directors.

S.N	Name	Category	Designation
1.	Mr. Mihir Kumar Roy	Executive	Managing Director
2.	Mrs. Sulekha Roy	Executive	Whole Time Director
3.	Ms. Pritha Roy	Executive	Whole Time Director
4.	Mr. Dhananjay Kumar	Non Executive	Independent Director
5.	Mr. Suresh Chandra Singh	Non Executive	Independent Director
6.	Mr. Pradosh Kiran Majumder	Non Executive	Independent Director

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

To enable efficient functioning with regards to the activities relating to this Issue we have constituted an Initial Public Offer (IPO) Committee.

AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated January 24, 2019 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Dhananjay Kumar	Chairman	Independent Director
Mr. Suresh Chandra Singh	Member	Independent Director
Mr. Mihir Kumar Roy	Member	Executive, Non-Independent

Our Company Secretary, Mr. Shakeel Ahmed acts as the secretary of the Audit Committee.

The composition of the Audit Committee may be changed by addition or removal of its members at any time by the Board. Any member of the Audit Committee ceasing to be a director shall also cease to be a member of the Audit Committee.

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
- Scrutiny of inter-corporate loans and investments.

10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
21. Implementation of Indian Accounting Standards as and when they become(s) applicable to the Company.
22. Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
 - a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

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 Audit Committee, reasons for disagreement shall have to be minuted in the Board Meeting and the same has to be communicated to the shareholders. The chairman of the committee has to attend the Annual General Meetings of our Company to provide clarifications on matters relating to the audit.

The Audit Committee is required to meet at least two times in a year. The quorum will be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on January 24, 2019. As on the date of this Draft Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Dhananjay Kumar	Chairman	Independent Director
Mr. Suresh Chandra Singh	Member	Independent Director
Mr. Pradosh Kiran Majumder	Member	Independent Director

Our Company Secretary, Mr. Shakeel Ahmed acts as the secretary of the Nomination and Remuneration Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Ensure that our Company has in place a programme for the effective induction of new directors;
2. Recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package(i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
3. Authorized at its duly convened meeting to determine on behalf the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/Executive Directors, including pension rights and any compensation payment;
4. Review, on an ongoing basis, the structure of the board, its committees and their inter relationship;
5. Implement, supervise and administer any share or stock option scheme of our Company; and
6. Attend to any other responsibility as may be entrusted by the Board within the terms of reference.

The Nomination and Remuneration Committee is required to meet at least two times in a year. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, but there should be a minimum of two independent members present.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has been formed by the Board of Directors at the meeting held on January 24, 2019. As on the date of this Draft Prospectus the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Dhananjay Kumar	Chairman	Non- Executive Independent Director
Mr. Suresh Chandra Singh	Member	Non-Executive Non-Independent
Mrs. Mihir Kumar Roy	Member	Executive, Non-Independent

Our Company Secretary, Mr. Shakeel Ahmed acts as the secretary of the Stakeholders' Relationship Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Redressal of shareholders'/investors' complaints;
2. Reviewing on a periodic basis the approval of transfer or transmission of shares or any other securities made by the Registrar and Share Transfer Agent;
3. Complaints related to issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Complaints related to non-receipt of declared dividends, balance sheets of the Company; and
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 after listing of our Company's shares on the Stock Exchange. Our Company Secretary and Compliance Officer, Mr. Shakeel Ahmed, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

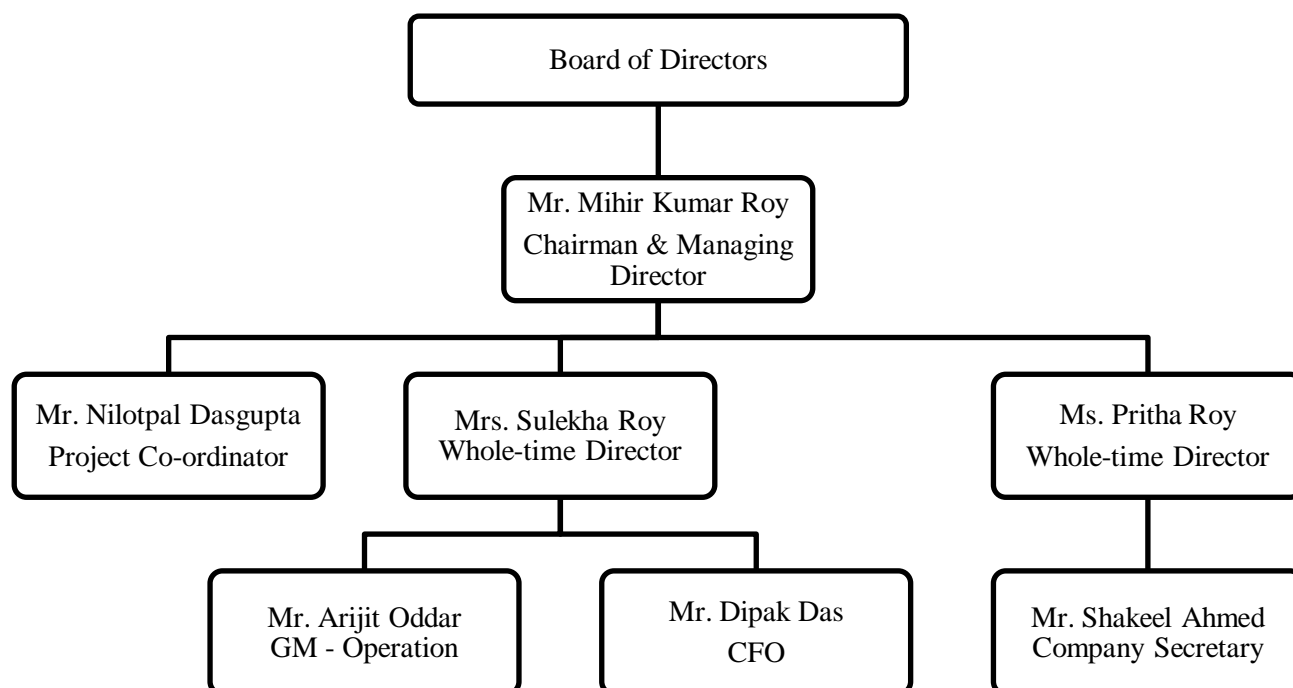
Mr. Shakeel Ahmed, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE Platform of NSE.

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MANAGEMENT ORGANISATION CHART



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Mr. Mihir Kumar Roy, aged 60 years, is the Chairman & Managing Director of our Company. Mr. Mihir is the Promoter Director of the Company. He is a Science graduate. Mr. Mihir is a renowned industrialist in Kolkata. He has vast knowledge and experience in the field on Engineering section, specially Petrol Tank and pipeline etc. Presently, he supervises the Engineering work and responsible for overall financial as well as operational management of the Company. He has played a key role in growth and development of the Company.

Mrs. Sulekha Roy, aged 52 years, is the Whole-time Director of our Company. Mrs. Sulekha is the Promoter Director of the Company. She is an Art graduate. She is expert in the administrative field of the Company. She supervises the administrative work and responsible for overall administrative work of the Company. She has played a key role in growth and development of the Company.

Ms. Pritha Roy, aged 28 years, is a Whole-time Director of our Company. She is holding degree of Bachelor of Laws and Master of Laws. She has experience of over 2 years in legal and statutory matters. Initially she joined the Company as Director on October 01, 2012, and appointed as Whole Time Director of the Company on September 29, 2018.

Mr. Dipak Das, aged 47 years, is Chief Financial Officer. He holds a bachelor degree in Commerce. He has over 10 years of experience in Taxation. He is in employment with the Company since January 01, 2007. Mr. Dipak Das was appointed as Chief Financial Officer w.e.f. September 20, 2018. He was paid a remuneration of Rs. 6.11 Lacs in the Fiscal 2018 by our Company.

Mr. Shakeel Ahmed, aged 32 years, is the Company Secretary. He has over 3 years of experience in corporate law compliance. He has joined the Company w.e.f. July 9, 2018. He was not paid any remuneration in the Fiscal 2018 as he has joined the Company in Fiscal 2019.

Notes:

- *All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.*
- *There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.*
- *None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they abide by their terms of appointments*

FAMILY RELATIONSHIP BETWEEN KMP

Except as stated below, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013:

Sr. No.	Name of the Director	Relationship with other Director
1	Mr. Mihir Kumar Roy	Husband of Mrs. Sulekha Roy and Father of Ms. Pritha Roy.
2	Mrs. Sulekha Roy	Wife of Mr. Mihir Kumar Roy and Mother of Ms. Pritha Roy.
3	Ms. Pritha Roy	Daughter of Mihir Kumar Roy and Mrs. Sulekha Roy.

DETAILS OF SERVICE CONTRACTS OF OUR KEY MANAGERIAL PERSONNEL

Our key managerial personnel have not entered into any other contractual arrangements with our Company.

BONUS AND/ OR PROFIT SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

Our Company does not have any bonus and / or profit sharing plan for the 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.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except Mr. Mihir Kumar Roy, Mrs. Sulekha Roy and Mr. Dipak Das who are holding 9,16,950, 3,72,050 and 100 Equity Shares of the Company respectively none of our Key Managerial Personnel are holding any Equity Shares in our Company as on the date of this Draft Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS

Following have been the changes in the Key Managerial Personnel during the last three years:

#	Name	Date of Joining	Reason
1.	Mr. Mihir Kumar Roy	September 29, 2018	Re-appointment as Chairman & Managing Director
2.	Mrs. Sulekha Roy	September 29, 2018	Appointment as Whole time Director
3.	Mr. Pritha Roy	September 29, 2018	Appointment as Whole time Director
4.	Mr. Dipak Das	September 20, 2018	Appointment as CFO
5.	Mr. Shakeel Ahmed	July 9, 2018	Appointment as CS

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

LOANS TO KEY MANAGERIAL PERSONNEL

There are no loans outstanding against the key managerial personnel as on the date of this Draft Prospectus.

PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 158 and 95 of this Draft Prospectus, we have not paid/ given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.



OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

#	Name	Category	Shareholding
1.	Mr. Mihir Kumar Roy	Individual Promoter	9,16,950
2.	Mrs. Sulekha Roy	Individual Promoter	3,72,050

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 53 of this Draft Prospectus.

Brief profile of our Individual Promoters is as under:

	<p>Mr. Mihir Kumar Roy, aged 60 years, is the Chairman & Managing Director of our Company. Mr. Mihir is the Promoter Director of the Company. He is a Science graduate. Mr. Mihir is a renowned industrialist in Kolkata. He has vast knowledge and experience in the field on Engineering section, specially Petrol Tank and pipeline etc. Presently, he supervises the Engineering work and responsible for overall financial as well as operational management of the Company. He has played a key role in growth and development of the Company.</p> <p>Passport No: K4380208 Aadhaar Card No: 786120558013 DIN: 00334729 PAN: ACUPR8097A</p> <p>Address: 26/7, Shahid Khudiram Bose Road, Budge Budge, South 24 Parganas Kolkata-700137</p>
	<p>Mrs. Sulekha Roy, aged 52 years, is the Whole-time Director of our Company. Mrs. Sulekha is the Promoter Director of the Company. She is an Art graduate. She is expert in the administrative field of the Company. She supervises the administrative work and responsible for overall administrative work of the Company. She has played a key role in growth and development of the Company.</p> <p>Passport No: R4890373 Aadhaar Card No.: 536387783358 DIN: 00334885 PAN: AHEPR6002J</p> <p>Address: 26/7, Shahid Khudiram Bose Road, Budge Budge, South 24 Parganas Kolkata-700137</p>

For further details relating to Mr. Mihir Kumar Roy and Mrs. Sulekha Roy, including terms of appointment and other directorships, please refer to the chapter titled "Our Management" beginning on page number 130 of this Draft Prospectus.

Relationship of Promoters with our Directors

Our Promoters are the part of our Board of Directors as Chairman cum Managing Director and Whole-time Director. 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.

Promoters	Director	Relationship
Mr. Mihir Kumar Roy	Ms. Pritha Roy	Father-Daughter
Mrs. Sulekha Roy	Ms. Pritha Roy	Mother-Daughter

OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

i. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations form part of our Promoter Group:

Promoters	Mr. Mihir Kumar Roy	Mrs. Sulekha Roy
Father	Late Kumud Chandra Roy	Late Balai Chandra Jashu
Mother	Nirmala Roy	Maya Jashu
Spouse	Sulekha Roy	Mihir Kumar Roy
Brothers	Samir Roy	Jayanta Jashu
	Tapas Roy	
Sisters	Jaba Roy	Sipra Jashu
	Rebarani Roy	Subhra Jashu
Sons	Mahargya Roy	Mahargya Roy
Daughters	Puja Roy	Puja Roy
	Pritha Roy	Pritha Roy
Spouse Father	Late Balai Chandra Jashu	Late Kumud Chandra Roy
Spouse Mother	Maya Jashu	Nirmala Roy
Spouse Brothers	Jayanta Jashu	Samir Roy
		Tapas Roy
Spouse Sisters	Sipra Jashu	Jaba Roy
	Suvra Jashu	Rebarani Roy

ii. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

Particulars	Entity
Any Body corporate in which 10% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member.	<ol style="list-style-type: none"> 1. MKR Distilleries Private Limited 2. Hindustan Tank Structural Private Limited

Any company in which a company (mentioned above) holds 10% of the total holding	Nil
Any HUF or firm in which the aggregate share of the promoters and his immediate relatives is equal to or more than 10% of the total holding	<u>Sole Proprietor Firm</u> Ramakrishna Service Station (Prop. Ms. Puja Roy) <u>Partnership Firm</u> <u>Nil</u> <u>HUFs</u> <u>Nil</u>

OTHER UNDERTAKINGS AND CONFIRMATIONS

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the NSE Emerge Platform, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.
- Our Promoters have confirmed that they have not been identified as willful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

COMMON PURSUITS OF OUR PROMOTERS

Except Hindustan Tank Structural Private Limited, none of the promoter Group entities is having business objects similar to our business. Further, currently we do not have any non-compete agreement/arrangement with any of our Group Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

INTEREST OF PROMOTERS

Interest in promotion of Our Company

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Draft Prospectus.

Interest as member of Our Company

Our Promoters jointly hold 12,89,000 Equity Shares aggregating to 71.63 % of pre-Issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Mihir Kumar Roy and Mrs. Sulekha Roy as given in the chapter titled “*Our Management*” beginning on page number 130 of this Draft Prospectus, our Promoters hold no other interest in our Company.

Interest as a creditor of our Company

As on the date of the Draft Prospectus our Company has not availed any secured loan from the Promoters of our Company.

Interest as Director of our Company

Except as stated in the “*Statement of Related Party Transactions*” beginning on page number 156 of the Draft Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as 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 our AoA.

Interest in transactions involving acquisition of land

Our Promoters are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Other Ventures of our Promoters

Save and except as disclosed in the chapters titled ‘*Our Group Entities*’ beginning on page 151 of the Draft Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

Change in the control of Our Company

Our Promoters are the original promoters of our Company and there has been no change in the management or control of our Company.

Litigation involving our Promoters

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 214 of this Draft Prospectus.

Payment of benefits to our Promoters and Promoter Group during the last two years

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as Annexure 29 on page number 177 of the section titled “*Financial Information*” beginning on page number 158 of the Draft Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Draft Prospectus, nor is there any intention to pay or give any benefit to our

Promoters as on the date of this Draft Prospectus.

Other Confirmations

As on the date of this Draft Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Draft Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 214 of this Draft Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

Guarantees

Except as stated in the chapter titled "Financial Indebtedness" and section titled "*Financial Statements*" beginning on page 202 and 158 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as Annexure 29 on page number 177 of the section titled “*Financial Information*” beginning on page number 158 of the Draft Prospectus.

OUR SUBSIDIARIES

As of the date of this Draft Prospectus, our Company has MKR Distilleries Private Limited as its subsidiary Company; the details of the same are beginning on page number 151 of this Draft Prospectus.

OUR GROUP ENTITIES

Below mention are the details of Companies / Entities promoted by the Promoters of our Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

The Group Companies of our Company are as follows:

1. MKR Distilleries Private Limited (*Subsidiary Company*)
2. Hindustan Tank Structural Private Limited

Details of Group Companies

MKR DISTILLERIES PRIVATE LIMITED

Corporate Information

MKR Distilleries Private Limited was incorporated under the Companies Act, 1956 on September 16, 2011, as a private limited company, having CIN U15511WB2011PTC167683. The registered office of MKR Distilleries Private Limited is situated at 68/A Netaji Subhas Road Budge-Budge Kolkata - 700137.

MKR Distilleries Private Limited was incorporated to carry on the business as distiller and brewer. However the company is under development stage and has not yet commenced commercial production. The manufacturing unit of the Company is under construction stage.

Board of Directors

The Directors of MKR Distilleries Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Mihir Kumar Roy	Director
Sulekha Roy	Director
Rajesh Das	Director

Shareholding Pattern

The Shareholding Pattern of MKR Distilleries Private Limited as on the date of this Draft Prospectus are as follows:

Shareholders name	No. of shares	% of total holding
Mihir Kumar Roy	18,63,500	18.48
Sulekha Roy	2,77,950	2.76
Anupam Advisory Private Limited	5,00,000	4.96
Rajesh Das	12,500	0.12
Hindustan Tank Structural Private Limited	4,63,000	4.59
Barindranath Panjal	22,000	0.22
Dipak Das	26,500	0.26

Shareholders name	No. of shares	% of total holding
Avijit Das	18,000	0.18
Sanchita Das	24,000	0.24
Niloptal Das	20,000	0.20
Subhra Jashu	23,000	0.23
Arijit Ooddar	5,000	0.05
Banani Jassu	5,000	0.05
Puja Roy	3,47,200	3.44
Pritha Roy	72,500	0.72
M K Roy & Bros Projects Ltd.	62,49,180	61.98
Runu Das	23,000	0.23
Santosh Gupta	20,000	0.20
Jayanta Jashu	1,750	0.02
Suvankar Roy	14,000	0.14
Tapas Bdas	15,000	0.15
Shikha Ghosh & Sankar Ghosh	80,000	0.79
Total	1,00,83,080	100.00

Financial Performance

Certain details of the audited financials of MKR Distilleries Private Limited for Financial Year 2018, 2017 and 2016 are set forth below:

(Rs. in Lakhs, except per share data)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Total Income	-	-	-
Profit after Tax	-	-	-
Equity Capital	1008.31	694.10	174.70
Reserves & Surplus (excluding revaluation reserve)	-	-	-
Net worth	1008.31	694.10	174.70
NAV per share	10.00	10.00	10.00
Earnings per share (EPS) (Basic) in Rs.	-	-	-
Earnings per share (EPS) (Diluted) in Rs.	-	-	-
No. of Equity Shares of Rs. 10/- each	100.83	69.41	17.47

Note: The Company is under development stage and has not yet commenced commercial production hence no statement of profit and has been made for any years till date.

HINDUSTAN TANK STRUCTURAL PRIVATE LIMITED

Corporate Information

Hindustan Tank Structural Private Limited was incorporated under the Companies Act, 1956 on May 31, 2010, as a private limited company, having CIN U29253WB2010PTC150049. The registered office of the Company is situated at VILL- Senpukur, P.O - Uttar Raipur, P.S- Budge-Budge, 24 Parganas Kolkata – 700137.

Hindustan Tank Structural Private Limited was incorporated with the object to carry on the business of manufacturing and construction of various types of petroleum storage tanks.

Board of Directors

The Directors of Hindustan Tank Structural Private Limited as on the date of this Draft Prospectus are as follows:

Name	Designation
Subhra Jashu	Director
Dipak Das	Director

Shareholding Pattern

The Shareholding Pattern of Hindustan Tank Structural Private Limited as on the date of this Draft Prospectus are as follows:

Shareholder name	No. of shares	% of total holding
Subhra Jashu	1,21,250	96.04%
Rajesh Das	5,000	3.96%
TOTAL	1,26,250	100.00%

Financial Information

(Rs. in Lakhs, except per share data)

Particulars	Fiscal 2018	Fiscal 2017	Fiscal 2016
Total Income	38.38	11.80	50.05
Profit after Tax	14.44	11.28	11.28
Equity Capital	12.63	12.63	12.63
Reserves & Surplus (excluding revaluation reserve)	52.12	24.42	24.42
Net worth	64.73	37.05	37.04
NAV per share	51.27	29.35	29.34
Earnings per share (EPS) <i>(Basic)</i> in Rs.	11.44	10.50	8.94
Earnings per share (EPS) <i>(Diluted)</i> in Rs.	11.44	10.50	8.94
No. of Equity Shares of Rs.10/- each	1,26,250	1,26,250	1,26,250

DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 214 of the Draft Prospectus.

DEFUNCT GROUP COMPANIES

There is no defunct Group Companies of our Company as on the date of this Draft Prospectus.

UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a wilful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- i) Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
 - ii) Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- None of the Promoters is or has ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

COMMON PURSUITS/CONFLICT OF INTEREST

Our Promoter groups have promoted Hindustan Tank Structural Private Limited, which have in its object the line of business similar to our Company. The details of Hindustan Tank Structural Private Limited are disclosed above.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

For details relating to sales or purchases between our Company and any of our Group entities exceeding 10% of the sales or purchases of our Company see the chapter titled “Financial Statements - Related Party Disclosures” on page 158 of this Draft Prospectus.

OTHER GROUP ENTITIES:

Our Promoters groups have promoted the following sole proprietorship firm(s):

Details of the same are as follows:

Sr. No.	Name of Group Company	Sole Proprietor
1.	Ramkrishna Service Station	Puja Roy

Ramkrishna Service Station is a Sole Proprietorship firm of Ms. Puja Roy. The said firm is engaged in the business of operating a petroleum pump. Its registered office is situated at 68/A, Netaji Subash Road, Budge-Budge, 24 Parganas (S), Kolkata – 700137.

Financial Information

Particulars	Amount in Rs. Lakhs as on 31.03.2018
Capital Account	47.76
Profit & Loss	20.77
Fixed Assets	07.51
Sales	756.11

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

Our Promoters have not been disassociated themselves from any entities/firms during preceding three years.

OTHER DETAILS OF GROUP COMPANIES/ENTITIES:

1. There are no defaults in meeting any statutory/ bank/ institutional dues;
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES

- (a) In the promotion of our Company
None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled “Financial Information–Annexure 29 - Related Party Transaction” on page 177 of this Draft Prospectus.
- (b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Prospectus with Stock Exchange
Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Draft Prospectus with Stock Exchange.
- (c) In transactions for acquisition of land, construction of building and supply of machinery
None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

RELATED PARTY TRANSACTION

For details on related party transaction of our Company, please refer to Annexure 29 of Restated Financial statement beginning on page 177 of this Draft Prospectus.

DIVIDEND POLICY

In terms of the Companies Act and subject to the provisions of the Articles of Association, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have declared following dividend in last five consecutive financial years:

Financial Year	% of Dividend	Amount per share (in Rs.)	Total Dividend Amount (in Rs.)
September 30, 2018	Nil	-	-
2017-18	20.00	2.00	35,98,800
2016-17	20.00	2.00	35,98,800
2015-16	20.00	2.00	35,98,800

SECTION- VI FINANCIAL INFORMATION

FINANCIAL STATEMENT AS RESTATED

Independent Auditors Report on Restated Standalone Financial Statement

To,
The Board of Directors,
M K ROY & BROS PROJECTS LTD
68/A, Netaji Subhas Road, Ground Floor, Budge – Budge, Kolkata - 700137

Dear Sirs,

Report of Auditors on the Reformatted Financial Statements of M K ROY & BROS PROJECTS LTD. as at and for each of the years/period ended September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016.

1. We, M/s Jain Singh & Co., Chartered Accountants (FRN 307135E) being statutory auditors, have examined the attached Restated Standalone Financial Information of M/s M K ROY & BROS. PROJECTS LTD , which comprise of the Restated Summary Statement of Assets and Liabilities as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016, the Restated Summary Statements of Profit and Loss and the Restated Summary Statement of Cash Flows for each of the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");and
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992("ICDR Regulations").

The preparation of the Restated Standalone Financial Information is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Standalone Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 14 December 2018 in connection with the proposed issue of equity shares of the Company; and
 - b) The Guidance Note on Reports in Company Prospectuses issued by ICAI ("The Guidance Note").

3. These Restated Standalone Financial Information have been compiled by the management from the Audited Financial Statements as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016 and for each of the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 which have been approved by Board of directors at their meetings held on November 11, 2018, August 21, 2018, September 1, 2017 and September 2, 2016 respectively. Reliance has been placed on the financial information examined during the course of statutory audit for the said years/period. The financial report included for these years/period, i.e., September 2018, 2018, 2017 and 2016 are based solely on the report submitted by M K Roy & Bros. Projects Ltd. M K Roy & Bros. Projects Ltd have also confirmed that the restated standalone financial statement:
- a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - c) do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Standalone Financial Information] and do not contain any qualification requiring adjustments except non-compliance of AS-15 for which adjustments could not be made due non availability of information.
4. Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
- a) The Restated Summary Statement of Assets and Liabilities of the Company, as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined and reported upon by M/s M K ROY & BROS. PROJECTS LTD, on which reliance has been placed by us, and as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure - 1 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Schedules to the Restated Summary Statements.
 - b) The Restated Summary Statement of Profit and Loss of the Company, including for the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by M/s M K ROY & BROS. PROJECTS LTD and who have submitted their report on which reliance has been placed by us, and for the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure - 2 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Schedules to the Restated Summary Statements.
 - c) The Restated Summary Statement of Cash Flows of The Company, including for the years/period September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by M/s M K ROY & BROS. PROJECTS LTD and who have submitted their report on which reliance has been placed by us, and for the years ended M/s M K ROY & BROS. PROJECTS LTD. examined by us, as set out in Annexure - 3 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Schedules to the Summary Statements.

d) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by the previous auditors, M/s M K ROY & BROS. PROJECTS LTD. for the respective years, we further report that the Restated Standalone Financial Information:

- i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
- ii. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
- iii. do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Standalone Financial Information] and do not contain any qualification requiring adjustments for which adjustments could not be made due non availability of information.

5. We have also examined the following restated standalone financial information of the Company set out in the Annexure prepared by the management and approved by the Board of Directors on November 30, 2018, August 21, 2018, September 1, 2017 and September 2, 2016 for the years/period September 30 2018, March 31 2018, March 31 2017 and March 31 2016. In respect of the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 these information have been included based upon the previous audit reports of M/s M K ROY & BROS. PROJECTS LTD and relied upon by us:

Annexure 5	: Summary Statement of Adjustments to Audited Financial Statements
Annexure 6	: Schedule of Share Capital
Annexure 7	: Schedule of Reserves & Surplus
Annexure 8	: Schedule of Long term Liability
Annexure 9	: Schedule of Deferred Liability
Annexure 10	: Schedule of Short term Borrowings
Annexure 11	: Schedule of Trade Payables
Annexure 12	: Schedule of Other Current Liabilities
Annexure 13	: Schedule of Short Term Provisions
Annexure 14	: Schedule of Fixed Assets
Annexure 15	: Schedule of Non Current Investments
Annexure 16	: Schedule of Long term Loans & Advances
Annexure 17	: Schedule of Inventories
Annexure 18	: Schedule of Trade Receivables
Annexure 19	: Schedule of Cash and Cash Equivalents
Annexure 20	: Schedule of Short term loans and advances
Annexure 21	: Schedule of Contingent liabilities & commitments (to the extent not provided for)
Annexure 22	: Schedule of Revenue from Operations
Annexure 23	: Schedule of Other Income
Annexure 24	: Schedule of Cost of Material Consumed
Annexure 25	: Schedule of Changes in Inventories of Finished Goods, WIP & Stock in trade
Annexure 26	: Schedule of Employee Benefit Expenses
Annexure 27	: Schedule of Finance Cost
Annexure 28	: Details of Other Expenses
Annexure 29	: Details of Related Party Transactions
Annexure 30	: Details of Contingent Liabilities & Commitments
Annexure 31	: Details of Capitalisation Statement
Annexure 32	: Details of Accounting Ratios
Annexure 33	: Details of Tax Shelters

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, M/s M K ROY & BROS. PROJECTS LTD., in our opinion, the Restated Standalone Financial Information and the above restated financial information contained in Annexure 1 to 33 accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure 4, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

[According to the information and explanations given to us and also as per the reliance placed on the audit reports of M/s M K ROY & BROS. PROJECTS LTD, in our opinion, the Performa Financial Information of the Company for the year ended/period September 30 2018, March 31 2018, March 31 2017 and March 31 2016 read with Summary of Significant Accounting Policies disclosed in Annexure 4, are prepared after making Performa adjustments as mentioned in Annexure - 5 and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.]

6. This report should not in any way be construed as are issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Jain Singh & Co. (FRN 307135E)
Chartered Accountants

Sd/-

Anuj Kumar

Partner

M. No.: 059492

Date: December 18, 2018

Place: Kolkata

Summary of Statement of Standalone Assets and Liabilities as Restated
(Rs. in Lakhs)

Particulars		Annexure	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
I.	EQUITY AND LIABILITIES					
1	Shareholders' funds					
	(a) Share capital	6	179.94	179.94	179.94	179.94
	(b) Reserves and surplus	7	772.07	951.27	1,246.11	1,465.15
2	Non-current liabilities					
	(a) Long-term borrowings	8	7.45	18.59	254.29	357.80
	(b) Deferred tax liabilities (Net)	9	-	-	-	-
3	Current liabilities					
	(a) Short-term borrowings	10	669.11	890.23	1,003.02	995.33
	(b) Trade payables	11	727.14	999.65	1,355.16	1,178.27
	(c) Other current liabilities	12	495.26	555.88	637.80	814.42
	(d) Short-term provisions	13	51.09	46.80	49.64	49.64
	TOTAL		2,902.06	3,642.36	4,725.96	5,040.55
II.	ASSETS					
1	Non-current assets					
	(a) Fixed assets	14				
	(i) Tangible assets		299.51	377.25	395.34	395.22
	(b) Deferred tax Assets		4.56	4.21	4.44	5.47
	(c) Non Current Investments	15	110.70	317.46	634.32	645.92
	(d) Long-term loans and advances	16	134.31	27.47	27.82	40.42
2	Current assets					
	(a) Inventories	17	294.49	330.72	632.62	1,071.36
	(b) Trade receivables	18	700.35	1,307.23	1,514.52	1,258.76
	(c) Cash and cash equivalents	19	471.35	324.80	458.76	523.20
	(d) Short-term loans and advances	20	886.79	953.22	1,058.14	1,100.20
	TOTAL		2,902.06	3,642.36	4,725.96	5,040.55

For Jain Singh & Co.

Chartered Accountants

Firm Registration No. 307135E

For and on behalf of the Board
Mihir Kumar Roy

(DIN : 00334729)

Anuj Kumar

Partner

M. No. 059492

Place : Kolkata
Date : December 18, 2018
Mrs. Sulekha Roy

(DIN : 00334885)

Summary of Statement of Standalone Profit and Loss Account as Restated
(Rs. in Lakhs)

Particulars		Annexure	For the period ended			
			31 March 2016	31 March 2017	31 March 2018	30 September 2018
I	Revenue from operations	22	4,419.30	4,590.85	5,937.38	2,940.56
II	Other income	23	58.04	45.31	58.88	51.73
III	Total Revenue		4,477.34	4,636.16	5,996.26	2,992.29
IV	Expenses:					
	Cost of materials consumed	24	1,240.78	1,516.40	2,143.99	1,075.70
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	25	(88.58)	26.97	(319.64)	(341.59)
	Employee benefits expense	26	381.18	369.48	532.90	356.83
	Finance costs	27	142.33	118.79	171.83	76.44
	Depreciation and amortization expense		44.68	45.39	53.16	28.29
	Other expenses	28	2,491.96	2,231.35	2,916.10	1,502.11
	Total expenses		4,212.35	4,308.38	5,498.34	2,697.78
V	Profit before exceptional and extraordinary items and tax		264.99	327.78	497.92	294.51
VI	Exceptional Items		-	-	-	-
VII	Profit before extraordinary items & tax		264.99	327.78	497.92	294.51
	Extraordinary Items		-	-	-	-
IX	Profit before tax		264.99	327.78	497.92	294.51
X	Tax expense:					
	(1) Current tax		85.00	105.00	160.00	76.50
	(2) Deferred tax		(2.43)	0.36	(0.23)	(1.03)
	Total Tax Expenses		82.57	105.36	159.77	75.47
XV	Profit (Loss) for the period		182.42	222.42	338.15	219.04
VIII	Earnings per equity share: (in Rs.)					
	(1) Basic		10.17	12.39	18.84	12.17
	(2) Diluted		10.17	12.39	18.84	12.17

For Jain Singh & Co.

Chartered Accountants

Firm Registration No. 307135E

Anuj Kumar

Partner

M. No. 059492

Place : Kolkata
Date : December 18, 2018
For and on behalf of the Board
Mihir Kumar Roy

(DIN : 00334729)

Mrs. Sulekha Roy

(DIN : 00334885)

Restated Statement of Standalone Cash Flows
(Rs. in Lakhs)

#	Particulars	For the period ending on			
		31.03.16	31.03.17	31.03.18	30.09.18
A.	Cash flow from Operating Activities				
	Net Profit Before tax as per Statement of Profit & Loss	264.99	327.74	497.93	294.51
	Adjustments for :				
	Depreciation & Amortisation Exp.	44.68	45.39	53.16	28.29
	Proposed Dividend	-35.99	-35.99	-35.99	-
	Operating Profit before working capital changes	273.68	337.14	515.10	322.80
	Changes in Working Capital				
	Decrease/(Increase) in Trade and Other Receivables	-55.49	-606.88	-207.29	255.75
	Increase/(Decrease) in Trade and Other Payable	211.74	333.13	437.43	-0.27
	(Increase)/Decrease in Stock	-108.49	-36.24	-301.90	-438.72
	(Increase)/Decrease in Other Current Assets	-120.19	-66.43	-104.92	-42.06
	(Increase)/Decrease in Short Term Borrowings	-144.86	221.14	112.79	-7.68
	(Increase)/Decrease in Short Term Provision	-6.57	-4.29	2.85	0.00
		-223.86	-159.57	-61.04	-232.98
	Net Cash Flow from Operation	49.82	177.57	454.06	89.82
	Direct Taxes Paid (net of refunds)	-94.10	-105.00	-160.00	-76.50
	Tax on Proposed Dividend	-7.20	-7.20	-7.33	-
		-101.30	-112.20	-167.33	-76.50
	Net Cash Flow from Operating Activities (A)	-51.48	65.37	286.73	13.32
B.	Cash flow from investing Activities				
	Purchase of Fixed Assets	-80.04	-123.14	-71.25	-28.18
	Short Term Loans & Advances	-	-	-	-
	Purchase of Investments	-	-206.76	-316.86	-11.60
	Sale of Investments	-	-	-	-
	Long Term Loans & Advances	-75.00	106.84	-0.35	-12.60
	Deferred Tax	-	-	-	-
	Net Cash Flow from Investing Activities (B)	-155.04	-223.06	-388.46	-52.38
C.	Cash Flow From Financing Activities				
	Proceeds from Long term Borrowings from Bank	-6.42	11.14	235.69	103.51
	Net Cash Flow from Financing Activities (C)	-6.42	11.14	235.69	103.51
D.	Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)	-212.94	-146.55	133.96	64.45
E.	Opening Cash & Cash Equivalents	684.25	471.35	324.80	458.76
F.	Cash and cash equivalents at the end of the period	471.31	324.80	458.76	523.21
G.	Cash And Cash Equivalents Comprise :				
	Cash	1.77	0.15	0.23	1.04
	Bank Balance :				
	Current Account	1.10	1.88	12.16	1.50
	Fixed Deposit	468.48	322.77	446.37	520.66
	Total	471.35	324.80	458.76	523.20

Notes :

- The above Restated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- For Restated Cash and Cash Equivalents refer to Annexure No. 19 to the Restated Balance Sheet.

For Jain Singh & Co.

Chartered Accountants

Firm Registration No. 307135E

Anuj Kumar

Partner

M. No. 059492

For and on behalf of the Board
Mihir Kumar Roy

(DIN : 00334729)

Mrs. Sulekha Roy

(DIN : 00334885)

Annexure 4

Restated Accounting Policies & Notes to the accounts

Background: M/s M K ROY & BROS. PROJECTS LTD is incorporated on 11/12/2000 under the provisions of Companies Act, 2013 with Registrar of Companies, Delhi vide CIN: U45209WB2000PTC092689 Company is doing the business of fabrication, erection, welding and testing of Mild Steel Storage tank and Pipelines and allied civil works all over India.

The status of the Company has been changed from Private to Public Limited pursuant to the Special Resolution of the shareholders dated September 29, 2018 and a fresh certificate of incorporation upon change in status dated December 13, 2018 was issued by the ROC, Kolkata.

A. ACCOUNTING POLICIES

a) Basis of preparation of financial statements:

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014), unless otherwise stated.

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/ materialized.

b) Use of Estimates:

The preparation and presentation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

c) Valuation of Inventory:

Raw Material: At Cost

Semi-finished goods: At estimated cost

Finished goods: At Lower of Cost or Net Realizable Value

d) Cash Flow Statement:

Cash flow statement has been prepared as per requirements of Accounting Standard - 3. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

e) Contingencies and Events Occurring After the Balance Sheet Date:

Effects of, events occurred after Balance Sheet date and having material effect on financial statements are reflected where ever required.

f) Net Profit or loss for the period, prior period items and changes in accounting policies:

Material items of prior period, non-recurring and extra ordinary items are shown separately, If any.

g) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

h) Depreciation:

Depreciation on fixed assets has been provided under Written Down Value (WDV) on the basis of useful life of assets as prescribed under Schedule II of The Companies Act 2013.

i) Investments:

The company has made Investment in Unquoted Equity of Subsidiary Company in the name of MKR Distilleries Pvt Ltd. The management intends to hold the same for Long Term in view of Company has not started commencement of Production/ Business. Hence, no Provision for diminution in value of these shares have been made.

j) Revenue Recognitions:

All the known Income and expenses except provision for terminal benefits of employee as prescribed by AS-15 issued by The Institute of Chartered Accountants of India are accounted for on accrual basis. The company has not worked out the quantum of the same. Dividend on investments has been accounted as and when received.

k) Foreign Currency Transactions:

i. Initial Recognition

Foreign currency transactions, if any, are recorded in the reporting currency, by applying to the foreign currency amount the exchange rates at the date of transaction.

ii. Exchange Difference

Exchange difference, if any, arising on the settlement of monetary items are recognized as expenses / income in the year in which they arise.

l) Accounting of Taxation on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to income tax authorities. The difference that exist between profit offered for taxation and book profit is accounted for as per AS-22 issued by the Institute of Chartered Accountants Of India and a deferred tax liability/assets is created accordingly.

m) Retirement and other employee benefits:

Employee benefits include provident fund, superannuation fund, gratuity fund and ESIC. The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made. The Company contributes regularly to the Gratuity Fund and any difference in Actuarial Valuation has been adequately dealt with in the Books of Accounts. There is no Leave due to any staff member as they are advised to enjoy leave as soon as leave is due to them.

n) Borrowing Cost:

Borrowing costs directly attributable to the acquisition of qualifying assets are capitalized till the same is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to revenue.

o) Segment Reporting:

The Company is dealing only in one reportable segment, i.e. fabrication, erection, welding of tanks and pipeline.

p) Related Party Disclosure:

The Disclosures of Transaction with the related parties as defined in the Accounting Standard are given in ANNEXURE 29.

q) Accounting for Leases:

The Company has not entered into any lease agreements during the years/period.

r) Earnings Per Share:

Disclosure is made in the Annexure 32 as per the requirements of the Accounting Standard - 20.

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in

computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

B. NOTES TO THE ACCOUNTS

- a) Personal accounts of all parties are subject to confirmation and reconciliation & Bank accounts are subject to reconciliation.
- b) Contingent liability may be incurred in respect of pending direct & indirect taxes & statutory dues the amount of which is neither known nor presently ascertainable.
- c) In the opinion of the management the value of Current Assets & Loans & Advances is not less than the amounts stated in books of accounts and are considered good.
- d) Provision for Current income tax has been made as per the provisions of Income tax Act 1961 and is subject to assessment.
- e) As certified by the directors of the Company, no legal case against the company was pending.
- f) The Company has not identified its Sundry Creditors between Micro, Small and Medium in terms of the Provisions of Micro, Small and Medium Enterprises Development Act, 2006 and hence the information required under the said act could not be given.

Annexure - 5

Summary Statement of Adjustments to Audited Financial Statements

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Prior period Expenses	6.57	1.37	2.85	-
- Other Expenses	-	-	-	-
- Finance Cost	-	-	-	-
Professional Charges shown under	-	-	-	-
Professional Charges & Artist payment	-	-	-	-
Depreciation	-	-	-	-
Net Effect	6.57	1.37	2.85	-

Notes:

- (1) During FY 2015-16, prior period expenses amounting to Rs 657,220 pertaining to the expenditure for financial year(s) 2010-11 & 2011-12 was debited in the financial statements.
- (2) During FY 2016-17, prior period expenses amounting to Rs 421,736 pertaining to the expenditure for financial year(s) 2013-14 was debited in the financial statements. Further, the expenditure amounting to Rs 2,85,125 pertaining to financial year 2016-17 was debited in the financial statement for FY 2017-18. The same has been netted off in FY 2016-17 and adjustment of Rs 136,611 have been made in FY 2016-17.

ANNEXURES TO THE RESTATED STANDALONE FINANCIAL STATEMENT

Annexure – 6

A) Share Capital

(Rs. in Lakhs)

Share Capital	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
	Amt. Rs.	Amt. Rs.	Amt. Rs.	Amt. Rs.
Authorised Equity Shares of Rs.10 each	200.00	200.00	200.00	200.00
Issued Equity Shares of Rs.10 each	179.94	179.94	179.94	179.94
Subscribed & Paid up Equity Shares of Rs.10 each fully paid up	179.94	179.94	179.94	179.94
Total	179.94	179.94	179.94	179.94

The Company has only one Class of equity shares having face value of Rs. 10 Per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

B) Reconciliation of number of shares

Particulars	Equity Shares	Equity Shares	Equity Shares	Equity Shares
	Amt. Rs.	Number	Number	Number
Shares outstanding at the beginning of the year	179.94	179.94	179.94	179.94
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	179.94	179.94	179.94	179.94

C) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the Co.

Name of Shareholder	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
	% of Holding	% of Holding	% of Holding	% of Holding
Mr. Mihir Kumar Roy	50.96%	50.96%	50.96%	50.96%
Hindustan Tank & Structural Pvt Ltd	28.00%	28.00%	28.00%	28.00%
Mrs. Sulekha Roy	18.28%	18.28%	18.28%	18.28%

Annexure 7

RESERVES AND SURPLUS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Securities Premium Account				
Opening Balance	39.60	39.60	39.60	39.60
Add: Addition during the year	-	-	-	-
Closing Balance	39.60	39.60	39.60	39.60
B. General Reserve				
Opening Balance	58.03	78.03	98.03	118.03
Add: Transfer from surplus	20.00	20.00	20.00	20.00
Closing Balance	78.03	98.03	118.03	138.03
C. Surplus				
Opening balance	535.21	654.44	813.64	1,088.48
Add: Net Profit/(Net Loss) for the current year	182.42	222.39	338.16	219.04
Less: Transfer to General Reserve	20.00	20.00	20.00	20.00
Less: Proposed dividend	35.99	35.99	35.99	-
Less: Tax on proposed dividend	7.20	7.20	7.33	-
Closing Balance	654.44	813.64	1,088.48	1,287.52
Total	772.07	951.27	1,246.11	1,465.15

Annexure - 8

LONG TERM BORROWINGS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Secured				
(a) Term loans				
From Bank (secured by way of Hypothecation of Car)	7.45	3.63	-	-
From Bank (secured by way of Hypothecation of Machinery)	-	14.96	9.04	-
Sub-total (a)	7.45	18.59	9.04	-
B. Unsecured				
From Bank (Business loan)	-	-	80.25	162.80
From Others	-	-	165.00	195.00
Sub-total (b)	-	-	245.25	357.80
Total	7.45	18.59	254.29	357.80

SUMMARY OF SECURED AND UNSECURED LOANS

(Rs. in Lakhs)

Particulars	Date of Sanction of Loan	Repayment terms	31.03.16	31.03.17	31.03.18	30.09.18
Secured Loans (including current maturities)						
Cash Credit from Dena Bank	28.02.2017 & 25.04.2011	12 Month Yearly Renewal	521.19	695.34	853.56	845.82
Car Loan from Dena Bank	May-14	60 Months	12.50	8.68	4.40	2.44
Form NSICRMA Loan	09.11.2011	12 Month Yearly Renewal	147.91	145.38	149.44	149.50
Term Loan from IndusInd Bank	10.06.2016	36 Months	-	7.64	4.23	2.37
Term Loan from IndusInd Bank	11.03.2017	36 Months	-	11.00	7.17	5.28
Term Loan from IndusInd Bank	22.08.2016	36 Months	-	6.88	4.06	2.52
Term Loan from IndusInd Bank	12.08.2017	36 Months	-	-	13.12	8.72
Total – From Bank & Financial Institution			681.60	874.92	1,035.98	1,016.65
Unsecured Loans						
From Director - M.K. Roy	09.03.2017 & 31.03.2018		-	49.50	90.00	106.50
From Director - Pritha Roy	31.03.2018		-	-	20.00	20.00
From Director Sulekha Roy	31.03.2018		-	-	55.00	68.50
From Bajaj Finserve	08.09.2017		-	-	35.00	35.00
From HDFC Bank Ltd	15.09.2017		-	-	45.25	40.64
From ICICI Bank Ltd	21.08.2018		-	-	-	40.59
Form Axis Bank Ltd	14.08.2018		-	-	-	46.56
Total			-	49.50	245.25	357.79
Grand Total			681.60	924.42	1,281.23	1,374.44

Notes:

- (1) Cash credit from Bank is secured by mortgage of land and building, hypothecation of plant & machinery, closing stock, book debts, entire current asset and personal guarantee by the directors of the company. The cash credit is repayable on demand & carries interest @ MCLR +2.8 i.e 11.40%.
- (2) Dena Bank Car Loan was taken during the Financial Year 2010-11 and carries interest @ 14.25%. The Loan is repayable in 60 monthly installments of Rs. 18600.00 each along with interest, from the date of loan. The loan is secured against vehicle.
- (3) IndusInd Bank Term Loan was taken during the Financial Year 2016-17 and carries interest @ 5.80% flat. The Loan is repayable in 36 monthly installments for 3 machines of Rs. 30000.00, Rs. 36200.00 and Rs. 36750.00 respectively along with interest from the date of Loan. The Loan is secured by hypothecation of machinery of the company pertaining to business.
- (4) IndusInd Bank Term Loan was taken during the Financial Year 2017-18 and carries interest @ 6.35% flat. The Loan is repayable in 24 monthly installments for 4 machines of Rs.10780.00, Rs.19600.00, Rs. 41160 and Rs.11,700.00 respectively along with interest from the date of Loan. The Loan is secured by hypothecation of machinery of the company pertaining to business.
- (5) Loan repayable on demand from other party is secured against deposit of Bank Guarantee. The Loan is repayable on demand and carries interest 11.00% to 15.00%.
- (6) Bajaj Finance Ltd business Loan was taken during the Financial Year 2017-2018 and carries interest @ 15.5%. The Loan is re-payable in 72 monthly installments as and when required.
- (7) HDFC business Loan was taken during the Financial Year 2017-2018 and carries interest @8.5%. The Loan is repayable in 48 monthly installments of Rs.139154. The Loan is unsecured of the company pertaining to business.
- (8) ICICI Bank business Loan was taken during the Financial Year 2018-2019 and carries interest @ 15.25%. The Loan is re-payable in 18 monthly installments of Rs. 2,50,534. The Loan is unsecured of the company pertaining to business.
- (9) Axis Bank Ltd business Loan was taken during the Financial Year 2018-19 & carries interest @16.00%. The Loan is repayable in 12 monthly installments of Rs.4,53,654. The Loan is unsecured of the company pertaining to business.

DEFERRED TAX LIABILITY

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Deferred tax liability disclosed in the Balance Sheet comprises the following;				
Deferred tax liability disclosed related to Fixed Assets	4.56	4.21	4.44	5.47
Total	4.56	4.21	4.44	5.47

Annexure -10

SHORT TERM BORROWINGS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Secured				
Loan Repayable on Demand				
(a) From Banks	521.19	695.35	1,003.02	995.33
(b) From other Parties	147.92	145.38	-	-
B. Unsecured				
(a) From Others	-	49.50	-	-
Total	669.11	890.23	1,003.02	995.33

Annexure -11

TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Sundry Creditors for Goods & Services due to Others				
	727.14	999.65	1,355.16	1,178.27
Total	727.14	999.65	1,355.16	1,178.27

Annexure -12

OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Current maturities of Long Term Debt	5.05	15.62	23.12	21.35
(b) Other Payables				
Audit Fees Payable	1.28	0.94	0.90	0.00
Electricity Charges Payable	0.50	0.84	0.18	-
Telephone Charges Payable	-	0.18	-	-
Loan Instalment Payable	-	0.66	0.83	0
Retention money Payable	203.06	235.91	270.24	316.82
Salary Payable	9.4	55.85	14.64	83.64
Other Payable	1.3	0.17	1.78	0.03
(c) Statutory Dues	274.67	245.71	326.11	392.58
Total	495.26	555.88	637.80	814.42

Annexure -13
SHORT TERM PROVISIONS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Provision for Employee benefits				
Gratuity Payable	-	-	5.76	5.76
(b) Others				
Provision for Tax	4.22	2.85	-	-
Provision for Tax on Proposed Dividend	7.20	7.20	7.33	7.33
Provision for Proposed Dividend	35.99	35.99	35.99	35.99
Provision for Entry Tax	3.28	0.36	0.36	0.36
Provision for Service Tax Penalty	0.40	0.40	0.20	0.20
Total	51.09	46.80	49.64	49.64

Annexure -14
FIXED ASSETS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Tangible Assets:				
Land	94.91	124.60	124.60	124.60
Furniture & Fixtures	12.55	15.46	16.15	14.33
Plant and Equipment	133.33	179.27	204.62	202.09
Vehicle owned	18.71	18.09	13.21	18.26
Office Store	35.03	33.32	31.70	30.91
Office Equipments	4.98	6.51	5.06	5.03
Total	299.51	377.25	395.34	395.22

Annexure -15
NON CURRENT INVESTMENTS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Trade Investment				
(a) Investment in Equity Instruments (quoted)	-	-	25.00	25.00
Subtotal (a)	-	-	25.00	25.00
(b) Investment in Equity Instruments (unquoted)	110.70	317.46	609.32	620.92
Subtotal (b)	110.70	317.46	609.32	620.92
(c) Flat	-	-	-	-
Subtotal (c)	-	-	-	-
Total	110.70	317.46	634.32	645.92

Annexure -16
LONG TERM LOANS AND ADVANCES
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(Unsecured and Considered Good)				
(a) Long term loans and advances recoverable from Directors/Promoters/Promoter Group/ Associates/ Relatives of Directors/Group Company	107.04	-	-	-
(b) Other Long Term Loans & Advances				
Other Advances	27.27	27.47	27.82	40.42
Total	134.31	27.47	27.82	40.42

Annexure -17
INVENTORIES
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Work - In - Progress	210.63	183.66	503.30	844.89
(b) Raw Materials	83.86	147.06	129.32	226.47
Total	294.49	330.72	632.62	1,071.36

Annexure -18
TRADE RECEIVABLES
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Outstanding for a period less than six months from the date they are due for payment - Unsecured considered good	698.38	1298.47	1506.81	1251.05
Total	698.38	1,298.47	1,506.81	1,251.05
Outstanding for a period exceeding six months from the date they are due for payment - Unsecured considered good	1.97	8.76	7.71	7.71
Grand Total	700.35	1,307.23	1,514.52	1,258.76

Annexure -19
CASH AND CASH EQUIVALENTS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Balances with banks	0.64	1.42	12.16	1.5
(b) Fixed & Recurring Deposit with Bank*	468.48	322.77	446.37	520.66
(c) Cash in hand	1.77	0.15	0.23	1.04
(c) N.S.C	0.46	0.46	-	-
* Fixed Deposit Pledged with Bank for Overdraft limit				
Total	471.35	324.80	458.76	523.20

Annexure -20
SHORT TERM LOANS AND ADVANCES
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Advance (recoverable in cash & kind)	82.09	78.59	130.29	210.14
(b) Security Deposit	729.05	800.88	828.29	824.56
(c) Advance Income Tax**	10.92	(12.85)	13.72	(12.80)
(d) Balances with Government Authority				
(i) VAT Credit Receivable	64.73	84.08	85.84	78.30
(ii) Service Tax Credit Receivable	-	2.52	-	-
** Net of Provision for Tax				
Total	886.79	953.22	1,058.14	1,100.20

CONTINGENT LIABILITIES & COMMITMENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(i) Contingent Liabilities				
(a) Claims against the company not acknowledged as debts	-	-	-	-
(b) Guarantees	562.91	543.79	828.33	932.69
(c) Other money for which the company is contingently liable	-	-	-	-
(ii) Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) Uncalled liability on shares and other Investments partly paid	-	-	-	-
(c) Other Commitments	-	-	-	-
Total	562.91	543.79	828.33	932.69

REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended on 31 March 2018	For the period ended on 30 September 2018
Sale of Services	4,741.23	4,883.34	6,884.71	3,471.75
<u>Less:</u>				
GST and Sales Tax	-	-	(887.23)	(531.19)
Service Tax	(321.93)	(292.49)	(60.10)	-
Total	4,419.30	4,590.85	5,937.38	2,940.56

OTHER INCOME

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended on 31 March 2018	For the period ended on 30 September 2018
Interest Income				
(a) Interest received	58.04	29.14	24.65	45.20
(b) Income from Insurance Claim	-	16.17	34.23	6.53
Total	58.04	45.31	58.88	51.73

COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended on 31 March 2018	For the period ended on 30 September 2018
Opening Stock Raw Materials	63.94	83.86	147.06	129.32
Add:- Purchase of Raw Materials	1,260.70	1,579.60	2,126.25	1,172.85
Less: Closing Stock of Raw Materials	83.86	147.06	129.32	226.47
Cost of Raw Material Consumed	1,240.78	1,516.40	2,143.99	1,075.70

CHANGES IN INVENTORIES OF FINISHED GOODS, WIP & STOCK -IN-TRADE

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 Sept18
Inventories at the end of the year				
Work In Progress	210.63	183.66	503.30	844.89
Inventories at the beginning of the year				
Work In Progress	122.05	210.63	183.66	503.30
Net(Increase)/Decrease	(88.58)	26.97	(319.64)	(341.59)

EMPLOYEE BENEFITS EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 September 2018
(a) Salaries and Wages	323.70	329.71	445.38	312.62
(b) Contributions to Provident Fund	39.16	28.22	59.49	32.02
(c) Staff welfare expenses	18.32	11.55	28.03	12.19
Total	381.18	369.48	532.90	356.83

FINANCE COST

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 September 2018
Interest expenses	142.33	118.79	171.83	76.44
Total	142.33	118.79	171.83	76.44

OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 September 2018
Manufacturing Expenses				
Consumption of stores & spare parts	18.42	15.12	16.21	10.46
Subcontracting	1,797.32	1,653.41	2,101.33	1,148.13
Power & Fuel	14.89	30.02	165.77	79.61
Freight	65.84	122.24	166.55	72.88
Communication	4.46	3.89	2.53	1.03
Late Delivery Charges	138.07	2.60	10.10	-
Site Mobilization expenses	12.13	14.96	19.64	10.69
Machine hire charges	45.16	55.15	158.06	79.56
Insurance	13.28	13.45	8.44	4.91
Office Expenses	2.92	3.88	3.91	4.27
Printing & Stationery (including for Events)	2.39	2.96	2.33	1.35
Rent	22.00	18.20	18.84	16.13
Rates & Taxes	0.20	6.31	14.80	3.83
Payment To Auditor	0.80	0.85	1.00	-
Repair and Maintenance Expenses	10.49	12.51	16.53	16.13
Travelling Expenses	38.94	25.39	36.14	10.51
Legal & Professional Fees	0.04	0.06	0.03	-
Consultancy	26.95	42.69	62.30	34.41
Sales Tax	255.15	186.88	89.45	-
Miscellaneous Expenses	22.51	20.78	22.14	8.21
Total	2,491.96	2,231.35	2,916.10	1,502.11

RELATED PARTY TRANSACTIONS

(Rs. in Lakhs)

Name	Relation	Nature of Transaction	As at 31.03.16	As at 31.03.17	As at 31.03.18	As at 30.09.18
Mihir Kumar Roy	Director	Director's Remuneration	24.00	60.00	96.00	48.00
Sulekha Roy	Director	Director's Remuneration	12.00	36.00	60.00	30.00
Pritha Roy	Director	Director's Remuneration	12.00	12.00	22.00	12.00
MKR Distilleries Pvt Ltd	Subsidiary	Investment in Equity Share	110.70	317.46	609.61	624.92
Mihir Kumar Roy	Director	Loan Taken	-	49.50	90.00	106.50
Sulekha Roy	Director	Loan Taken	-	-	55.00	68.50
Pritha Roy	Director	Loan Taken	-	-	20.00	20.00
MKR Distilleries Pvt Ltd	Subsidiary	Advances	107.04	-	-	-
Ramkrishnan Service Station	Group Entity	Purchase	28.29	29.68	49.24	22.88
Hindustan Tank Structural Pvt Ltd	Group Company	Receiving of Service	28.09	0.94	10.36	-
Ramkrishnan Service Station	Group Entity	Trade Payables	9.35	7.47	8.18	12.97
Hindustan Tank Structurals Pvt Ltd	Group Company	Trade Payables	25.37	-	2.77	-

NET WORTH STATEMENT

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Authorised				
20,00,000 Equity Shares of Rs. 10 each	200.00	200.00	200.00	200.00
Total	200.00	200.00	200.00	200.00
Issued, Subscribed and Paid up				
17,99,400 Equity Shares of Rs. 10 each fully paid up	179.94	179.94	179.94	179.94
Total	179.94	179.94	179.94	179.94
Securities Premium Reserve				
Closing Balance	39.60	39.60	39.60	39.60
General Reserve				
Closing Balance	78.03	98.03	118.03	138.03
Profit/(Loss) Brought Forward	535.21	654.44	813.64	1,088.48
Add: Profit/(Loss) for the year	182.42	222.39	338.16	219.04
Less: Appropriations	63.19	63.19	63.32	20.00
Closing Balance	654.44	813.64	1,088.48	1,287.52
Reserve & Surplus	772.07	951.27	1,246.12	1,465.16
Net Worth	952.01	1,131.21	1,426.06	1,645.10

Capitalisation Statement

(Rs. in Lakhs)

Particulars	Pre- Issue as at 30.09.2018	Post Issue
Borrowings		
Short term debt (A)	995.33	-
Long Term Debt (B)	379.15	-
Total debts © [A+B]	1,374.48	-
Shareholders' funds		
Equity share capital	179.94	-
Reserve and surplus - as restated	1,465.15	-
Total shareholders' funds	1,645.09	-
Long term debt / Shareholders funds	0.23	-
Total debt / Shareholders funds	0.84	-

Notes:

- (1) The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30th September, 2018.
- (2) Long term Debts includes current maturities of long term debt (as shown in Other Current Liabilities).
- (3) For Post Issue Capitalization calculation has been done considering the allotment of shares in the IPO. Accordingly, the figures of post issue of equity share capital and reserves & surplus has been adjusted. The figure of short term/long term debt as appearing on 30th September, 2018 has only been considered for calculation purpose.

Summary of Accounting Ratios

(in Rs.)

Particulars	For the period ended			
	31 March 2016	31 March 2017	31 March 2018	30 September 2018
Net Worth (A)	9,52,01,598	11,31,21,561	14,26,06,255	16,46,22,269
Net Profit after Tax (B)	1,82,42,023	2,22,38,763	3,38,16,493	2,19,04,465
No. of shares outstanding as at end [F.V. Rs. 10/-] (C)	17,99,400	17,99,400	17,99,400	17,99,400
Weighted average number of shares outstanding [F.V. Rs.10/-] (D)	17,99,400	17,99,400	17,99,400	17,99,400
Bonus Shares (E)	-	-	-	-
Weighted average number of shares post bonus [F.V. Rs.10/-] (F)	17,99,400	17,99,400	17,99,400	17,99,400
Earning per Shares (EPS) (B/F)	10.14	12.36	18.79	12.17
Return on Net Worth (B/A) (%)	19.16%	19.66%	23.71%	13.31%
Net Assets Value per Share (A/F)	52.91	62.87	79.25	91.49

Definition of Key Ratios:

- Earnings per Share (Rs.):
$$\frac{\text{Net Profit Attributable to equity shareholders}}{\text{Weighted Average number of equity shares}}$$
- Return on Net Worth (%):
$$\frac{\text{Net Profit after Tax}}{\text{Net Worth as at the end of the year/ period}}$$
- Net Assets Value (Rs.):
$$\frac{\text{Net Worth as at the end of the year}}{\text{No. of equity shares outstanding at the end of the year/period}}$$

- Net Profit as appearing in the statements of restated profit & losses & Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

Statement of Tax Shelter

(Rs. in Lakhs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31,2018	Period ended September 30,2018
Profit before tax as per profit & loss (A)	258.42	326.38	495.08	294.51
Applicable Corporate Tax Rate (%)	30.00%	30.00%	25.00%	25.00%
MAT Rates	18.50%	18.50%	18.50%	18.50%
Tax at Notional Rate	-	-	-	-
Adjustments :				
Short Term Capital Gain	-	-	-	-
Permanent Differences				
Interest on TDS/ Penalty	1.35	1.26	2.14	-
Fixed Assets w/off	-	-	-	-
Loss on Sale of Fixed Assets	-	-	-	-
Disallowance under section 40A	1.30	1.38	0.96	-
Total Permanent Differences(B)	2.65	2.64	3.10	-
Timing Differences				
Difference between tax depreciation and book depreciation	7.68	(1.15)	1.34	-
Depreciation as Per Book	44.68	45.39	53.16	-
Depreciation as Per Income Tax	37.00	46.54	51.82	-
Disallowance under Section 43B	-	41.34	74.45	-
Amount allowable under section 43B	-	-	(40.98)	-
Allowable under Section 40	-	-	-	-
Addition as per ICDS	-	-	28.80	-
Disallowance under Section 40	-	-	0.67	-
Other allowable deduction	-	-	-	-
Total Timing Differences (C)	7.68	40.19	64.28	-
Net Adjustments D = (B+C)	10.33	42.83	67.38	0.00
Tax expense / (saving) thereon	3.10	12.85	16.85	0.00
Income from Other Sources (E)	-	-	-	-
Loss of P.Y. Brought Forward & Adjusted(F)	0.00	0.00	0.00	0.00
Taxable Income/(Loss) (A+D+E+F)	268.75	369.21	562.47	294.51
Taxable Income/(Loss) as per MAT	258.42	326.38	495.08	-
Tax as per MAT	52.69	66.55	100.94	-
Basic Tax	47.81	60.38	91.59	-
Surcharge	3.35	4.23	6.41	-
Education Cess	1.02	1.29	1.96	-
SHEC	0.51	0.65	0.98	-
Tax as per Normal Calculation	88.86	122.07	154.98	-
Basic Tax	80.63	110.76	140.62	-
Surcharge	5.64	7.75	9.84	-
Education Cess	1.73	2.37	3.01	-
SHEC	0.86	1.19	1.50	-
Income Tax as returned/computed	88.86	122.07	154.98	-

Independent Auditor's Report on Restated Consolidated Financial Statement

To,

The Board of Directors,

M K ROY & BROS PROJECTS LTD

68/A, Netaji Subhash Road, Ground Floor, Budge – Budge, Kolkata - 700137

Dear Sirs,

Report of Auditors on the Reformatted Financial Statements of M K ROY & BROS PROJECTS LTD. as at and for each of the years/period ended September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016

1. We, Jain Singh & Co., Chartered Accountants (FRN 307135E) being statutory auditors, have examined the attached Restated Consolidated Financial Information of M/s M K ROY & BROS. PROJECTS LTD , which comprise of the Restated Summary Statement of Assets and Liabilities as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016, the Restated Summary Statements of Profit and Loss and the Restated Summary Statement of Cash Flows for each of the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");and
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992("ICDR Regulations").

The preparation of the Restated Consolidated Financial Information is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

2. We have examined such Restated Consolidated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 14 December 2018 in connection with the proposed issue of equity shares of the Company; and
- b) The Guidance Note on Reports in Company Prospectuses issued by ICAI ("The Guidance Note").

3. These Restated Consolidated Financial Information have been compiled by the management from the Audited Financial Statements as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016 and for each of the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 which have been approved by Board of directors at their meetings held on November 11, 2018, August 21, 2018, September 1, 2017 and September 2, 2016 respectively. Reliance has been placed

on the financial information examined during the course of statutory audit for the said years/period. The financial report included for these years/period, i.e., September 2018, 2018, 2017 and 2016 are based solely on the report submitted by M/s M K ROY & BROS. PROJECTS LTD. M/s M K ROY & BROS. PROJECTS LTD have also confirmed that the restated Consolidated financial statement

- a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - b) have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - c) do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Consolidated Financial Information] and do not contain any qualification requiring adjustments except non-compliance of AS-15 for which adjustments could not be made due non availability of information.
4. Based on our examination and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
- a) The Restated Summary Statement of Assets and Liabilities of the Company, as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined and reported upon by M/s M K ROY & BROS. PROJECTS LTD, on which reliance has been placed by us, and as at September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure - 1 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Schedules to the Restated Summary Statements.
 - b) The Restated Summary Statement of Profit and Loss of the Company, including for the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by M/s M K ROY & BROS. PROJECTS LTD and who have submitted their report on which reliance has been placed by us, and for the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by us, as set out in Annexure - 2 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Schedules to the Restated Summary Statements.
 - c) The Restated Summary Statement of Cash Flows of The Company, including for the years/period September 30 2018, March 31 2018, March 31 2017 and March 31 2016 examined by M/s M K ROY & BROS. PROJECTS LTD and who have submitted their report on which reliance has been placed by us, and for the years ended M/s M K ROY & BROS. PROJECTS LTD. examined by us, as set out in Annexure - 3 to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Schedules to the Summary Statements.
 - d) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the reports submitted by the previous auditors, M/s M K ROY & BROS. PROJECTS LTD. for the respective years, we further report that the Restated Consolidated Financial Information:

- i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;
 - i. have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - ii. do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Consolidated Financial Information] and do not contain any qualification requiring adjustments for which adjustments could not be made due non availability of information.
5. We have also examined the following restated Consolidated financial information of the Company set out in the Annexure prepared by the management and approved by the Board of Directors on November 30, 2018, August 21, 2018, September 1, 2017 and September 2, 2016 for the years/period September 30 2018, March 31 2018, March 31 2017 and March 31 2016. In respect of the years/period ended September 30 2018, March 31 2018, March 31 2017 and March 31 2016 these information have been included based upon the previous audit reports of M/s M K ROY & BROS. PROJECTS LTD and relied upon by us:

Annexure 5	: Summary Statement of Adjustments to Audited Financial Statements
Annexure 6	: Schedule of Share Capital
Annexure 7	: Schedule of Reserves & Surplus
Annexure 8	: Schedule of Minority Interest
Annexure 9	: Schedule of Long Term Borrowings
Annexure 10	: Schedule of Deferred tax Liability
Annexure 11	: Schedule of Short Term Borrowings
Annexure 12	: Schedule of Trade Payables
Annexure 13	: Schedule of Other Current Liabilities
Annexure 14	: Schedule of Short Term Provision
Annexure 15	: Schedule of Fixed Assets
Annexure 16	: Schedule of Capital Work In Progress
Annexure 17	: Schedule of Deferred Tax Assets
Annexure 18	: Schedule of Non Current Investments
Annexure 19	: Schedule of Long Term Loans & Advances
Annexure 20	: Schedule of Inventories
Annexure 21	: Schedule of Trade Receivables
Annexure 22	: Schedule of Cash & Cash Equivalents
Annexure 23	: Schedule of Short Term Loans & Advances
Annexure 24	: Schedule of Contingent liabilities & commitments (to the extent not provided for)
Annexure 25	: Schedule of Revenue from Operation
Annexure 26	: Schedule of Other Income
Annexure 27	: Schedule of Cost of Material Consumed
Annexure 28	: Details of Changes in Inventories of Finished Goods, WIP & Stock in trade
Annexure 29	: Details of Employee Benefit Expenses
Annexure 30	: Details of Finance Cost
Annexure 31	: Details of Other Expenses
Annexure 32	: Details of Related Party Transactions
Annexure 33	: Details of Net Worth Statement
Annexure 34	: Details of Capitalisation Statement
Annexure 35	: Details of Accounting Ratios
Annexure 36	: Details of Tax Shelter

According to the information and explanations given to us and also as per the reliance placed on the reports submitted by the previous auditors, M/s M K ROY & BROS. PROJECTS LTD., in our opinion,

the Restated Consolidated Financial Information and the above restated financial information contained in Annexure 1 to 35 accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure 4, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

[According to the information and explanations given to us and also as per the reliance placed on the audit reports of M/s M K ROY & BROS. PROJECTS LTD, in our opinion, the Performa Financial Information of the Company for the year ended/period September 30 2018, March 31 2018, March 31 2017 and March 31 2016 read with Summary of Significant Accounting Policies disclosed in Annexure 4, are prepared after making Performa adjustments as mentioned in Annexure - 5 and have been prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.]

6. This report should not in any way be construed as are issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
8. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Jain Singh & Co. (FRN 307135E)

Chartered Accountants

Sd/-

Anuj Kumar

Partner

M. No.: 059492

Date: 18 December 2018

Place: Kolkata

Summary of Statement of Consolidated Assets and Liabilities as Restated
(Rs. in Lakhs)

Particulars		Annexure	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
I.	EQUITY AND LIABILITIES					
1	Shareholders' funds					
	(a) Share capital	6	179.94	179.94	179.94	179.94
	(b) Reserves and surplus	7	772.08	951.28	1,246.12	1,466.27
	(c) Minority Interest	8	64.00	376.64	398.99	387.39
2	Non-current liabilities					
	(a) Long-term borrowings	9	35.33	70.09	256.59	372.70
	(b) Deferred tax liabilities (Net)	10	-	-	-	-
3	Current liabilities					
	(a) Short-term borrowings	11	669.11	840.73	1,003.02	995.33
	(b) Trade payables	12	765.77	1,078.49	1,415.73	1,239.75
	(c) Other current liabilities	13	496.68	557.45	638.39	814.77
	(d) Short-term provisions	14	51.09	50.07	49.64	49.64
	TOTAL		3,034.00	4,104.69	5,188.42	5,504.28
II.	ASSETS					
1	Non-current assets					
	(a) Fixed assets	15				
	(i) Tangible assets		329.75	418.05	440.62	440.50
	(ii) Capital Work in Progress	16	316.53	531.81	819.70	821.53
	(b) Deferred tax Assets	17	4.57	4.22	4.45	5.47
	(c) Non Current Investments	18	-	25.00	25.00	25.00
	(d) Long-term loans and advances	19	27.27	27.47	27.82	40.42
2	Current assets					
	(a) Inventories	20	294.49	330.72	632.62	1,071.36
	(b) Trade receivables	21	700.35	1,307.23	1,514.52	1,258.76
	(c) Cash and cash equivalents	22	473.90	302.45	462.22	526.65
	(d) Short-term loans and advances	23	887.14	1,157.74	1,261.48	1,314.59
	TOTAL		3,034.00	4,104.69	5,188.43	5,504.28

For Jain Singh & Co.

Chartered Accountants

Firm Registration No. 307135E

For and on behalf of the Board
Mihir Kumar Roy

(DIN : 00334729)

Anuj Kumar

Partner

M. No. 059492

Place : Kolkata
Date : December 18, 2018
Mrs. Sulekha Roy

(DIN : 00334885)

Summary of Statement of Consolidated Profit and Loss Account as Restated
(Rs. in Lakhs)

Particulars		Annexure	For the year ended			
			31 March 2016	31 March 2017	31 March 2018	30 September 2018
I.	Revenue from operations	25	4,419.30	4,590.85	5,937.38	2,940.56
II.	Other income	26	58.04	45.31	58.88	51.73
III.	Total Revenue		4,477.34	4,636.16	5,996.26	2,992.29
IV.	Expenses:					
	Cost of materials consumed	27	1,240.79	1,516.40	2,143.99	1,075.70
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	28	(88.58)	26.97	(319.64)	(341.59)
	Employee benefits expense	29	381.18	369.48	532.90	356.83
	Finance costs	30	142.33	118.79	171.83	76.44
	Depreciation and amortization expense		44.68	45.39	53.16	28.29
	Other expenses	31	2,491.96	2,231.35	2,916.10	1,502.11
	Total expenses		4,212.36	4,308.38	5,498.34	2,697.78
V.	Profit before exceptional and extraordinary items and tax		264.98	327.78	497.92	294.51
VI	Exceptional Items		-	-	-	-
VII	Profit before extraordinary items and tax		264.98	327.78	497.92	294.51
	Extraordinary Items		-	-	-	-
IX	Profit before tax		264.98	327.78	497.92	294.51
X	Tax expense:					
	(1) Current tax		85.00	105.00	160.00	76.50
	(2) Deferred tax		(2.43)	0.36	(0.23)	(1.03)
	Total Tax Expenses		82.57	105.36	159.77	75.47
XV	Profit (Loss) for the period		182.41	222.42	338.15	219.04
VIII	Earnings per equity share: (in Rs.)					
	(1) Basic		10.17	12.39	18.84	12.24
	(2) Diluted		10.17	12.39	18.84	12.24

For Jain Singh & Co.
Chartered Accountants
Firm Registration No. 307135E

For and on behalf of the Board

Mihir Kumar Roy
 (DIN : 00334729)

Anuj Kumar
 Partner
 M. No. 059492
Place : Kolkata
Date : December 18, 2018

Mrs. Sulekha Roy
 (DIN : 00334885)

Restated Statement of Consolidated Cash Flows

(Rs. in Lakhs)

#	Particulars	For the period ending on			
		31.03.16	31.03.17	31.03.18	30.09.18
A.	Cash flow from Operating Activities				
	Net Profit Before tax as per Statement of Profit & Loss	264.98	327.78	497.92	294.51
	Adjustments for :				
	Depreciation & Amortisation Exp.	44.68	45.39	53.16	28.29
	Proposed Dividend	-35.99	-35.99	-35.99	-
	Operating Profit before working capital changes	273.67	337.18	515.09	322.80
	Changes in Working Capital				
	Decrease/(Increase) in Trade and Other Receivables	-55.44	-606.88	-207.29	256.86
	Increase/(Decrease) in Trade and Other Payable	225.58	373.49	418.18	0.5
	(Increase)/Decrease in Stock	-108.49	-36.24	-301.9	-438.73
	(Increase)/Decrease in Other Current Assets	-116.76	-270.6	-103.74	-54.71
	(Increase)/Decrease in Short Term Borrowings	-144.86	171.62	162.28	-7.68
	(Increase)/Decrease in Short Term Provision	-6.57	-1.02	-0.43	-
		-206.54	-369.63	-32.90	-243.76
	Net Cash Flow from Operation	67.13	-32.45	482.19	79.04
	Direct Taxes Paid (net of refunds)	-94.10	-105.00	-160.00	-76.50
	Tax on Proposed Dividend	-7.20	-7.20	-7.33	-
		-101.30	-112.20	-167.33	-76.50
	Net Cash Flow from Operating Activities (A)	-34.17	-144.65	314.86	2.54
B.	Cash flow from investing Activities				
	Purchase of Fixed Assets	-80.04	-133.72	-75.71	-28.18
	Capital Work in Progress	-70.91	-215.28	-287.88	-1.84
	Short Term Loans & Advances	-	-	-	-
	Purchase of Investments	-	287.64	22.35	-11.6
	Sale of Investments	-	-	-	-
	Long Term Loans & Advances	-24.94	-0.2	-0.35	-12.6
	Deferred Tax	-	-	-	-
	Net Cash Flow from Investing Activities (B)	-175.89	-61.56	-341.59	-54.22
C.	Cash Flow From Financing Activities				
	Proceeds from Long term Borrowings from Bank	-1.92	34.76	186.5	116.11
	Net Cash Flow from Financing Activities (C)	-1.92	34.76	186.50	116.11
D.	Net (Decrease)/ Increase in Cash & Cash Equivalents (A+B+C)	-211.98	-171.45	159.77	64.43
E.	Opening Cash & Cash Equivalents	685.84	473.9	302.45	462.22
F.	Cash and cash equivalents at the end of the period	473.9	302.45	462.22	526.65
G.	Cash And Cash Equivalents Comprise :				
	Cash	2.56	1.04	1.21	2.02
	Bank Balance :				
	Current Account	2.86	3.64	14.64	3.97
	Fixed Deposit	468.48	297.77	446.37	520.66
	Total	473.90	302.45	462.22	526.65

Notes:

- The above Restated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- For Restated Cash and Cash Equivalents refer to Annexure No. 19 to the Restated Balance Sheet.

For Jain Singh & Co.

Chartered Accountants

Firm Registration No. 307135E

Anuj Kumar

Partner

M. No. 059492

For and on behalf of the Board
Mihir Kumar Roy

(DIN : 00334729)

Mrs. Sulekha Roy

(DIN : 00334885)

Annexure - 4

RESTATED ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

Background: M/s M K ROY & BROS. PROJECTS LTD is incorporated on 11/12/2000 under the provisions of Companies Act, 2013 with Registrar of Companies, Delhi vide CIN: U45209WB2000PTC092689 Company is doing the business of fabrication, erection, welding and testing of Mild Steel Storage tank and Pipelines and allied civil works all over India.

The status of the Company has been changed from Private to Public Limited pursuant to the Special Resolution of the shareholders dated September 29, 2018 and a fresh certificate of incorporation upon change in status dated December 13, 2018 was issued by the ROC, Kolkata.

A. ACCOUNTING POLICIES

a) Basis of preparation of financial statements:

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014), unless otherwise stated.

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/ materialized.

b) Use of Estimates:

The preparation and presentation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

c) Valuation of Inventory:

Raw Material: At Cost

Semi-finished goods: At estimated cost

Finished goods: At Lower of Cost or Net Realizable Value

d) Cash Flow Statement:

Cash flow statement has been prepared as per requirements of Accounting Standard - 3. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

e) Contingencies and Events Occurring After the Balance Sheet Date:

Effects of, events occurred after Balance Sheet date and having material effect on financial statements are reflected where ever required.

f) Net Profit or loss for the period, prior period items and changes in accounting policies:

Material items of prior period, non-recurring and extra ordinary items are shown separately, If any.

g) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

h) Depreciation:

Depreciation on fixed assets has been provided under Written Down Value (WDV) on the basis of useful life of assets as prescribed under Schedule II of The Companies Act 2013.

i) Investments:

The company has made Investment in Unquoted Equity of Subsidiary Company in the name of MKR Distilleries Pvt Ltd. The management intends to hold the same for Long Term in view of Company has not started commencement of Production/ Business. Hence, no Provision for diminution in value of these shares have been made.

j) Revenue Recognitions:

All the known Income and expenses except provision for terminal benefits of employee as prescribed by AS-15 issued by The Institute of Chartered Accountants of India are accounted for on accrual basis. The company has not worked out the quantum of the same. Dividend on investments has been accounted as and when received.

k) Foreign Currency Transactions:

i. Initial Recognition

Foreign currency transactions, if any, are recorded in the reporting currency, by applying to the foreign currency amount the exchange rates at the date of transaction.

ii. Exchange Difference

Exchange difference, if any, arising on the settlement of monetary items are recognized as expenses / income in the year in which they arise.

l) Accounting of Taxation on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to income tax authorities. The difference that exist between profit offered for taxation and book profit is accounted for as per AS-22 issued by the Institute Of Chartered Accountants Of India and a deferred tax liability/assets is created accordingly.

m) Retirement and other employee benefits:

Employee benefits include provident fund, superannuation fund, gratuity fund and ESIC. The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made. The Company contributes regularly to the Gratuity Fund and any difference in Actuarial Valuation has been adequately dealt with in the Books of Accounts. There is no Leave due to any staff member as they are advised to enjoy leave as soon as leave is due to them.

n) Borrowing Cost:

Borrowing costs directly attributable to the acquisition of qualifying assets are capitalized till the same is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to revenue.

o) Segment Reporting:

The Company is dealing only in one reportable segment, i.e. fabrication, erection, welding of tanks and pipeline.

p) Related Party Disclosure:

The Disclosures of Transaction with the related parties as defined in the Accounting Standard are given in Annexure 32.

q) Accounting for Leases:

The Company has not entered into any lease agreements during the years/period.

r) Earnings Per Share:

Disclosure is made in the Annexure 35 as per the requirements of the Accounting Standard - 20.

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

B. NOTES TO THE ACCOUNTS

- a) Personal accounts of all parties are subject to confirmation and reconciliation & Bank accounts are subject to reconciliation.
- b) Contingent liability may be incurred in respect of pending direct & indirect taxes & statutory dues the amount of which is neither know nor presently ascertainable.

- c) In the opinion of the management the value of Current Assets & Loans & Advances is not less than the amounts stated in books of accounts and are considered good.
- d) Provision for Current income tax has been made as per the provisions of Income tax Act 1961 and is subject to assessment.
- e) As certified by the directors of the Company, no legal case against the company was pending.
- f) The Company has not identified its Sundry Creditors between Micro, Small and Medium in terms of the Provisions of Micro, Small and Medium Enterprises Development Act, 2006 and hence the information required under the said act could not be given.

Annexure - 5

Summary Statement of Adjustments to Audited Financial Statements

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Prior period Expenses	6.57	1.37	2.85	-
- Other Expenses	-	-	-	-
- Finance Cost	-	-	-	-
Professional Charges shown under	-	-	-	-
Professional Charges & Artist payment	-	-	-	-
Depreciation	-	-	-	-
Net Effect	6.57	1.37	2.85	-

Notes:

- (1) During FY 2015-16, prior period expenses amounting to Rs 657,220 pertaining to the expenditure for financial year(s) 2010-11 & 2011-12 was debited in the financial statements.
- (2) During FY 2016-17, prior period expenses amounting to Rs 421,736 pertaining to the expenditure for financial year(s) 2013-14 was debited in the financial statements. Further, the expenditure amounting to Rs 2,85,125 pertaining to financial year 2016-17 was debited in the financial statement for FY 2017-18. The same has been netted off in FY 2016-17 and adjustment of Rs 136,611 has been made in FY 2016-17.

ANNEXURE TO THE RESTATED CONSOLIDATED FINANCIAL STATEMENT

Annexure – 6

A) Share Capital

(Rs. in Lakhs)

Share Capital	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
	Amt. Rs.	Amt. Rs.	Amt. Rs.	Amt. Rs.
Authorised				
Equity Shares of Rs.10 each	200.00	200.00	200.00	200.00
Issued				
Equity Shares of Rs.10 each	179.94	179.94	179.94	179.94
Subscribed & Paid up				
Equity Shares of Rs.10 each fully paid up	179.94	179.94	179.94	179.94
Total	179.94	179.94	179.94	179.94

The Company has only one Class of equity shares having face value of Rs. 10 Per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

B) Reconciliation of number of shares

Particulars	Equity Shares	Equity Shares	Equity Shares	Equity Shares
	Amt. Rs.	Number	Number	Number
Shares outstanding at the beginning of the year	179.94	179.94	179.94	179.94
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	179.94	179.94	179.94	179.94

C) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the Co.

Name of Shareholder	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
	% of Holding	% of Holding	% of Holding	% of Holding
Mr. Mihir Kumar Roy	50.96%	50.96%	50.96%	50.96%
Hindustan Tank & Structural Pvt Ltd	28.00%	28.00%	28.00%	28.00%
Mrs. Sulekha Roy	18.28%	18.28%	18.28%	18.28%

Annexure - 7

RESERVES AND SURPLUS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Securities Premium Account				
Opening Balance	39.60	39.60	39.60	39.60
Add: Addition during the year	-	-	-	-
Closing Balance	39.60	39.60	39.60	39.60
B. General Reserve				
Opening Balance	58.03	78.03	98.03	118.03
Add; Transfer from surplus	20.00	20.00	20.00	20.00
Closing Balance	78.03	98.03	118.03	138.03
C. Surplus				
Opening balance	535.22	654.45	813.65	1,088.49
Add: Net Profit/(Net Loss) For the current year	182.42	222.39	338.16	220.15
Less: Transfer to General Reserve	20.00	20.00	20.00	20.00
Less: Proposed dividend	35.99	35.99	35.99	-
Less; Tax on proposed dividend	7.20	7.20	7.33	-
Closing Balance	654.45	813.65	1,088.49	1,288.64
Total	772.08	951.28	1,246.12	1,466.27

Annexure - 8

MINORITY INTEREST

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Minority Interest	64.00	376.64	398.99	387.39
Total	64.00	376.64	398.99	387.39

LONG TERM BORROWINGS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Secured				
(a) Term loans				
From Bank (secured by way of Hypothecation of Car)	7.45	3.63	-	-
From Bank (secured by way of Hypothecation of Machinery)	-	14.96	9.04	-
Sub-total (a)	7.45	18.59	9.04	-
B. Unsecured				
From Bank (Business loan)	-	-	80.25	162.80
From Others	27.88	51.50	167.30	209.90
Sub-total (b)	27.88	51.50	247.55	372.70
Total	35.33	70.09	256.59	372.70

SUMMARY OF SECURED AND UNSECURED LOANS

(Rs. in Lakhs)

Particulars	Date of Sanction of Loan	Repayment terms	31.03.16	31.03.17	31.03.18	30.09.18
Secured Loans (including current maturities)						
Cash Credit from Dena Bank	28.02.2017 & 25.04.2011	12 Month Yearly Renewal	521.19	695.34	853.56	845.82
Car Loan from Dena Bank	May-14	60 Months	12.50	8.68	4.40	2.44
Form NSICRMA Loan	09.11.2011	12 Month Yearly Renewal	147.91	145.38	149.44	149.50
Term Loan from IndusInd Bank	10.06.2016	36 Months	-	7.64	4.23	2.37
Term Loan from IndusInd Bank	11.03.2017	36 Months	-	11.00	7.17	5.28
Term Loan from IndusInd Bank	22.08.2016	36 Months	-	6.88	4.06	2.52
Term Loan from IndusInd Bank	12.08.2017	36 Months	-	-	13.12	8.72
Total – From Bank & Financial Institution			681.60	874.92	1,035.98	1,016.65
Unsecured Loans						
From Director - M.K. Roy	09.03.2017 & 31.03.2018		-	49.50	90.00	106.50
From Director - Pritha Roy	31.03.2018		-	-	20.00	20.00
From Director Sulekha Roy	31.03.2018		-	-	55.00	68.50
From Bajaj Finserv	08.09.2017		-	-	35.00	35.00
From HDFC Bank Ltd	15.09.2017		-	-	45.25	40.64
From ICICI Bank Ltd	21.08.2018		-	-	-	40.59
Form Axis Bank Ltd	14.08.2018		-	-	-	46.56
Total			-	49.50	245.25	357.79
Grand Total			681.60	924.42	1,281.23	1,374.44

Notes:

(10) Cash credit from Bank is secured by mortgage of land and building, hypothecation of plant & machinery, closing stock, book debts, entire current asset and personal guarantee by the directors of the company. The cash credit is repayable on demand & carries interest @ MCLR +2.8 i.e 11.40%

(11) Dena Bank Car Loan was taken during the Financial Year 2010-11 and carries interest @ 14.25%. The Loan is repayable in 60 monthly instalments of Rs. 18600.00 each along with interest, from the date of loan. The loan is secured against vehicle.

(12) IndusInd Bank Term Loan was taken during the Financial Year 2016-17 and carries interest @ 5.80% flat. The Loan is repayable in 36 monthly instalments for 3 machines of Rs. 30000.00, Rs .36200.00 and Rs. 36750.00

respectively along with interest from the date of Loan. The Loan is secured by hypothecation of machinery of the company pertaining to business.

- (13) IndusInd Bank Term Loan was taken during the Financial Year 2017-18 and carries interest @ 6.35% flat. The Loan is repayable in 24 monthly instalments for 4 machines of Rs.10780.00, Rs.19600.00, Rs. 41160 and Rs.11,700.00 respectively along with interest from the date of Loan. The Loan is secured by hypothecation of machinery of the company pertaining to business.
- (14) Loan repayable on demand from other party is secured against deposit of Bank Guarantee. The Loan is repayable on demand and carries interest 11.00% to 15.00%.
- (15) Bajaj Finance Ltd business Loan was taken during the Financial Year 2017-2018 and carries interest @ 15.5%. The Loan is re-payable in 72 monthly instalments as and when required.
- (16) HDFC business Loan was taken during the Financial Year 2017-2018 and carries interest @ 8.5%. The Loan is repayable in 48 monthly instalments of Rs.139154. The Loan is unsecured of the company pertaining to business.
- (17) ICICI Bank business Loan was taken during the Financial Year 2018-2019 and carries interest @ 15.25%. The Loan is re-payable in 18 monthly instalments of Rs. 2,50,534. The Loan is unsecured of the company pertaining to business.
- (18) Axis Bank Ltd business Loan was taken during the Financial Year 2018-19 & carries interest @ 16.00%. The Loan is repayable in 12 monthly instalments of Rs.4,53,654. The Loan is unsecured of the company pertaining to business.

Annexure - 10

DEFERRED TAX LIABILITY

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Deferred tax liability disclosed in the Balance Sheet comprises the following;				
Deferred tax liability disclosed related to Fixed Assets	(2.43)	0.36	(0.23)	5.47
Total	(2.43)	0.36	(0.23)	5.47

Annexure -11

SHORT TERM BORROWINGS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Secured				
Loan Repayable on Demand				
(a) From Banks	521.19	695.35	1,003.02	995.33
(b) From other Parties	147.92	145.38	-	-
B. Unsecured				
(a) From Others	-	-	-	-
Total	669.11	840.73	1,003.02	995.33

Annexure -12

TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Sundry Creditors for Goods & Services due to				
Others	765.77	1,078.49	1,415.73	1,239.35
Total	765.77	1,078.49	1,415.73	1,239.35

Annexure -13
OTHER CURRENT LIABILITIES
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Current maturities of Long Term Debt	5.06	15.62	23.12	21.35
(b) Other Payables				
Audit Fees Payable	1.68	1.28	1.17	0.31
Electricity Charges Payable	0.50	0.84	0.18	-
Telephone Charges Payable	-	-	-	-
Loan Instalment Payable	-	0.66	0.83	-
Retention money Payable	203.06	235.91	270.24	316.82
Salary Payable	10.01	56.76	14.64	83.64
Other Payable	1.34	0.43	1.82	0.08
(c) Statutory Dues	275.03	245.95	326.39	392.57
Total	496.68	557.45	638.39	814.77

Annexure -14
SHORT TERM PROVISIONS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Provision For Employee benefits				
Gratuity Payable	-	3.27	5.76	5.76
(b) Others				
Provision For Tax	4.22	2.85	-	-
Provision for Tax on Proposed Dividend	7.20	7.20	7.33	7.33
Provision for Proposed Dividend	35.99	35.99	35.99	35.99
Provision for Entry Tax	3.28	0.36	0.36	0.36
Provision for Service Tax Penalty	0.40	0.40	0.20	0.20
Total	51.09	50.07	49.64	49.64

Annexure -15
FIXED ASSETS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Tangible Assets:				
Land	124.78	163.57	163.57	163.57
Furniture & Fixtures	12.92	16.85	17.55	15.72
Plant and Equipment	133.33	179.27	204.62	202.09
Vehicle owned	18.71	18.09	17.68	22.73
Office Store	35.03	33.32	31.70	30.91
Office Equipments	4.98	6.95	5.50	5.48
Total	329.75	418.05	440.62	440.50

Annexure -16
CAPITAL WORK IN PROGRESS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Capital Work in Progress	289.23	481.66	742.39	743.31
Preliminary & Preoperative Expenses	27.30	50.15	77.31	78.22
Total	316.53	531.81	819.70	821.53

Annexure -17
DEFERRED TAX ASSETS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Deferred Tax asset/(liability)	2.14	4.57	4.22	4.45
Tax effect	2.43	(0.36)	0.23	1.02
Net deferred tax asset/(liability)	4.57	4.22	4.45	5.47

Annexure -18
NON CURRENT INVESTMENTS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
A. Trade Investment				
(a) Investment in Equity Instruments (quoted)	-	25.00	25.00	25.00
Subtotal (a)	-	25.00	25.00	25.00
(b) Investment in Equity Instruments (unquoted)	-	-	-	-
Subtotal (b)	-	-	-	-
(c) Flat	-	-	-	-
Subtotal (c)	-	-	-	-
Total	-	25.00	25.00	25.00

Annexure -19
LONG TERM LOANS AND ADVANCES
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(Unsecured and Considered Good)				
(a) Long term loans and advances recoverable from Directors/Promoters/Promoter Group/ Associates/ Relatives of Directors/Group Company	-	-	-	-
(b) Other Long Term Loans & Advances				
Other Advances	27.27	27.47	27.82	40.42
Total	27.27	27.47	27.82	40.42

Annexure -20

INVENTORIES

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Work - In - Progress	210.63	183.66	503.30	844.89
(b) Raw Materials	83.86	147.06	129.32	226.47
Total	294.49	330.72	632.62	1,071.36

Annexure -21

TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Outstanding for a period less than six months from the date they are due for payment - Unsecured considered good	698.38	1298.47	1506.81	1251.05
Total	698.38	1,298.47	1,506.81	1,251.05
Outstanding for a period exceeding six months from the date they are due for payment - Unsecured considered good	1.97	8.76	7.71	7.71
Grand Total	700.35	1,307.23	1,514.52	1,258.76

Annexure -22

CASH AND CASH EQUIVALENTS

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Balances with banks	2.4	3.64	14.64	3.97
(b) Fixed & Recurring Deposit with Bank*	468.48	297.77	446.37	520.66
(c) Cash in hand	2.56	1.04	1.21	2.02
(c) N.S.C	0.46	-	-	-
* Fixed Deposit Pledged with Bank for Overdraft limit				
Total	473.90	302.45	462.22	526.65

Annexure -23

SHORT TERM LOANS AND ADVANCES

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(a) Advance (recoverable in cash & kind)	82.45	282.64	333.63	424.52
(b) Security Deposit	729.05	801.34	828.39	824.56
(c) Advance Income Tax**	10.92	(12.85)	13.72	(12.79)
(d) Balances with Government Authority				
(i) VAT Credit Receivable	64.72	84.08	85.83	78.30
(ii) Service Tax Credit Receivable	-	2.53	-	
** Net of Provision for Tax				
Total	887.14	1157.74	1261.47	1314.59

Annexure -24
CONTINGENT LIABILITIES & COMMITMENTS
(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
(i) Contingent Liabilities				
(a) Claims against the company not acknowledged as debts	-	-	-	-
(b) Guarantees	562.91	543.79	828.33	932.69
(c) Other money for which the company is contingently liable	-	-	-	-
(ii) Commitments				
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) Uncalled liability on shares and other Investments partly paid	-	-	-	-
(c) Other Commitments	-	-	-	-
Total	562.91	543.79	828.33	932.69

Annexure -25
REVENUE FROM OPERATIONS
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended on 31 March 2018	For the period ended on 30 September 2018
Sale of Services	4,741.23	4,883.34	6,884.71	3,471.75
<u>Less:</u>				
GST and Sales Tax	-	-	(887.23)	(531.19)
Service Tax	(321.93)	(292.49)	(60.10)	-
Total	4,419.30	4,590.85	5,937.38	2,940.56

Annexure -26
OTHER INCOME
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended on 31 March 2018	For the period ended on 30 September 2018
Interest Income				
(a) Interest received	58.04	29.14	24.65	45.20
(b) Income from Insurance Claim	-	16.17	34.23	6.53
Total	58.04	45.31	58.88	51.73

Annexure -27
COST OF MATERIALS CONSUMED
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended on 31 March 2018	For the period ended on 30 September 2018
Opening Stock Raw Materials	63.94	83.86	147.06	129.32
Add:- Purchase of Raw Materials	1,260.70	1,579.60	2,126.25	1,172.85
Less: Closing Stock of Raw Materials	83.86	147.06	129.32	226.47
Cost of Raw Material Consumed	1,240.78	1,516.40	2,143.99	1,075.70

Annexure -28
CHANGES IN INVENTORIES OF FINISHED GOODS , WIP & STOCK -IN-TRADE
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 Sept18
Inventories at the end of the year				
Work In Progress	210.63	183.66	503.30	844.89
Inventories at the beginning of the year				
Work In Progress	122.05	210.63	183.66	503.30
Net(Increase)/Decrease	(88.58)	26.97	(319.64)	(341.59)

Annexure -29
EMPLOYEE BENEFITS EXPENSES
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 September 2018
(a) Salaries and Wages	323.70	329.71	445.38	312.62
(b) Contributions to Provident Fund	39.16	28.22	59.49	32.02
(c) Staff welfare expenses	18.32	11.55	28.03	12.19
Total	381.18	369.48	532.90	356.83

Annexure -30
FINANCE COST
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 September 2018
Interest expenses	142.33	118.79	171.83	76.44
Total	142.33	118.79	171.83	76.44

Annexure -31
OTHER EXPENSES
(Rs. in Lakhs)

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2017	For the period ended on 31 March 2018	For the period ended on 30 September 2018
Consumption of stores & spare parts	18.42	15.12	16.21	10.46
Subcontracting	1,797.32	1,653.41	2,101.33	1,148.13
Power & Fuel	14.89	30.02	165.77	79.61
Freight	65.84	122.24	166.55	72.88
Communication	4.46	3.89	2.53	1.03
Late Delivery Charges	138.07	2.60	10.10	0.00
Site Mobilization expenses	12.13	14.96	19.64	10.69
Machine hire charges	45.16	55.15	158.06	79.56
Insurance	13.28	13.45	8.44	4.91
Office Expenses	2.92	3.88	3.91	4.27
Printing & Stationery (including for Events)	2.39	2.96	2.33	1.35
Rent	22.00	18.20	18.84	16.13
Rates & Taxes	0.20	6.31	14.80	3.83
Payment To Auditor	0.80	0.85	1.00	0.50
Repair and Maintenance Expenses	10.49	12.51	16.53	16.13
Travelling Expenses	38.94	25.39	36.14	10.51
Legal & Professional Fees	0.04	0.06	0.03	-
Consultancy	26.95	42.69	62.30	34.41
Sales Tax	255.15	186.88	89.45	-
Miscellaneous Expenses	22.51	20.78	22.14	8.21
Total	2,491.96	2,231.35	2,916.10	1,502.11

Annexure - 32

RELATED PARTY TRANSACTIONS

(Rs. in Lacs)

Name	Relation	Nature of Transaction	As at 31.03.16	As at 31.03.17	As at 31.03.18	As at 30.09.18
Mihir Kumar Roy	Director	Director's Remuneration	24.00	60.00	96.00	48.00
Sulekha Roy	Director	Director's Remuneration	12.00	36.00	60.00	30.00
Pritha Roy	Director	Director's Remuneration	12.00	12.00	22.00	12.00
MKR Distilleries Pvt Ltd	Subsidiary	Investment in Equity Share	110.70	317.46	609.61	624.92
Mihir Kumar Roy	Director	Loan Taken	-	49.50	90.00	106.50
Sulekha Roy	Director	Loan Taken	-	-	55.00	68.50
Pritha Roy	Director	Loan Taken	-	-	20.00	20.00
MKR Distilleries Pvt Ltd	Subsidiary	Advances	107.04	-	-	-
Ramkrishnan Service Station	Group Entities	Purchase	28.29	29.68	49.24	22.88
Hindustan Tank Structural Pvt Ltd	Group Company	Receiving of Service	28.09	0.94	10.36	-
Ramkrishnan Service Station	Group Entities	Trade Payables	9.35	7.47	8.18	12.97
Hindustan Tank Structurals Pvt Ltd	Group Company	Trade Payables	25.37	-	2.77	-

Annexure - 33

Net Worth Statement

(Rs. in Lakhs)

Particulars	As at 31 March 2016	As at 31 March 2017	As at 31 March 2018	As at 30 September 2018
Authorised				
20,00,000 Equity Shares of Rs. 10 each	200.00	200.00	200.00	200.00
Total	200.00	200.00	200.00	200.00
Issued, Subscribed and Paid up				
17,99,400 Equity Shares of Rs. 10 each fully paid up	179.94	179.94	179.94	179.94
Total	179.94	179.94	179.94	179.94
Securities Premium Reserve				
Closing Balance	39.60	39.60	39.60	39.60
General Reserve				
Closing Balance	78.03	98.03	118.03	138.03
Profit/(Loss) Brought Forward	535.22	654.45	813.64	1,088.49
Add: Profit/(Loss) for the year	182.42	222.39	338.16	219.04
Less: Appropriations	63.19	63.19	63.32	20.00
Closing Balance	654.44	813.64	1,088.48	1,287.53
Reserve & Surplus	772.07	951.27	1,246.12	1,465.17
Net Worth	952.02	1,131.22	1,426.06	1,645.11

Capitalisation Statement

(Rs. in Lakhs)

Particulars	Pre Issue as at 30.09.2018	Post Issue
Borrowings		
Short term debt (A)	995.33	-
Long Term Debt (B)	394.05	-
Total debts © [A+B]	1,389.38	-
Shareholders' funds		
Equity share capital	179.94	-
Reserve and surplus - as restated	1,466.27	-
Total shareholders' funds	1,646.21	-
Long term debt / Shareholders funds	0.24	-
Total debt / Shareholders funds	0.84	-

Note:

- The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30th September, 2018.
- Long term Debts includes current maturities of long term debt (as shown in Other Current Liabilities).
- For Post Issue Capitalisation calculation has been done considering the allotment of shares in the IPO. Accordingly the figures of post issue of equity share capital and reserves & surplus has been adjusted. The figure of short term/long term debt as appearing on 30th September, 2018 has only been considered for calculation purpose.

Summary of Accounting Ratios

(in Rs.)

Particulars	For the year ended			
	31 March 2016	31 March 2017	31 March 2018	30 September 2018
Net Worth (A)	9,52,01,598	11,31,21,561	14,26,06,255	16,46,22,269
Net Profit after Tax (B)	1,82,42,023	2,22,38,763	3,38,16,493	2,20,16,014
No. of shares outstanding as at end [F.V. Rs. 10/-] (C)	17,99,400	17,99,400	17,99,400	17,99,400
Weighted average number of shares outstanding [F.V. Rs.10/-] (D)	17,99,400	17,99,400	17,99,400	17,99,400
Bonus Shares (E)	-	-	-	-
Weighted average number of shares post bonus [F.V. Rs.10/-] (F)	17,99,400	17,99,400	17,99,400	17,99,400
Earning per Shares (EPS) (B/F)	10.14	12.36	18.79	12.24
Return on Net Worth (B/A) (%)	19.16%	19.66%	23.71%	13.37%
Net Assets Value per Share (A/F)	52.91	62.87	79.25	91.49

Definition of Key Ratios:

- Earnings per Share (Rs.):
$$\frac{\text{Net Profit Attributable to equity shareholders}}{\text{Weighted Average number of equity shares}}$$
- Return on Net Worth (%):
$$\frac{\text{Net Profit after Tax}}{\text{Net Worth as at the end of the year/ period}}$$
- Net Assets Value (Rs.):
$$\frac{\text{Net Worth as at the end of the year}}{\text{No. of equity shares outstanding at the end of the year/period}}$$

IV. Net Profit as appearing in the statements of restated profit & losses & Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

Statement of Tax Shelter

(Rs. in Lakhs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2018	Period ended September 30, 2018
Profit before tax as per profit & loss (A)	258.42	326.38	495.08	294.51
Applicable Corporate Tax Rate (%)	30.00%	30.00%	25.00%	25.00%
MAT Rates	18.50%	18.50%	18.50%	18.50%
Tax at Notional Rate	-	-	-	-
Adjustments :				
Short Term Capital Gain	-	-	-	-
Permanent Differences				
Interest on TDS/ Penalty	1.35	1.26	2.14	-
Fixed Assets w/off	-	-	-	-
Loss on Sale of Fixed Assets	-	-	-	-
Disallowance under section 40A	1.30	1.38	0.96	-
Total Permanent Differences(B)	2.65	2.64	3.10	-
Timing Differences				
Difference between tax depreciation and book depreciation	7.68	(1.15)	1.34	-
Depreciation as Per Book	44.68	45.39	53.16	-
Depreciation as Per Income Tax	37.00	46.54	51.82	-
Disallowance under Section 43B	-	41.34	74.45	-
Amount allowable under section 43B	-	-	(40.98)	-
Allowable under Section 40	-	-	-	-
Addition as per ICDS	-	-	28.80	-
Disallowance under Section 40	-	-	0.67	-
Other allowable deduction	-	-	-	-
Total Timing Differences (C)	7.68	40.19	64.28	-
Net Adjustments D = (B+C)	10.33	42.83	67.38	0.00
Tax expense / (saving) thereon	3.10	12.85	16.85	0.00
Income from Other Sources (E)	-	-	-	-
Loss of P.Y. Brought Forward & Adjusted(F)	0.00	0.00	0.00	0.00
Taxable Income/(Loss) (A+D+E+F)	268.75	369.21	562.47	294.51
Taxable Income/(Loss) as per MAT	258.42	326.38	495.08	-
Tax as per MAT	52.69	66.55	100.94	-
Basic Tax	47.81	60.38	91.59	-
Surcharge	3.35	4.23	6.41	-
Education Cess	1.02	1.29	1.96	-
SHEC	0.51	0.65	0.98	-
Tax as per Normal Calculation	88.86	122.07	154.98	-
Basic Tax	80.63	110.76	140.62	-
Surcharge	5.64	7.75	9.84	-
Education Cess	1.73	2.37	3.01	-
SHEC	0.86	1.19	1.50	-
Income Tax as returned/computed	88.86	122.07	154.98	-

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2018 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

Sr. No.	Name of Lender	Type of Loan	Date of Sanction	Sanction Amount	Rate of Interest	Outstanding amounts as per books of accounts as on March 31, 2018
1.	Dena Bank	Term Loan	February, 28 2017	Rs. 1893 Lakhs	12.00%	Rs. 4.40 Lakhs
		Bank Guarantee		Rs. 750.00 Lakhs	-	Rs. 828.32 Lakhs
		Working Capital (Cash Credit)		Rs. 815.00 Lakhs	MCLR +2.80%=11.40%	Rs. 853.56 Lakhs
2	Indusind Bank	Term Loan against Machinery	July , 01 2016 , September, 29 , 2017 , November , 03, 2017	Rs. 47.20 Lakhs	5.80% and 6.35% , flat	Rs. 28.58 Lakhs
3	NSIC	Loan repayable on demand from NSIC is secured against deposit of Bank Guarantee	June 13, 2017	Rs. 150.00 Lakhs	11.00% to 15.00%	Rs. 149.44 Lakhs

Principal terms of our borrowings availed by our Company:

Some of the principal terms of the borrowings availed by our Company are set forth below:

1. **Tenor:** The tenor of the loan facilities availed by us typically ranges from 6 months to 20 years whether commencing from the date of first disbursement or any other date specified by the lender.
2. **Security:** In terms of our borrowings where security needs to be created, we are typically required to among others:
 - a. Create equitable mortgage over some of our immovable properties;
 - b. Personal guarantees by our Promoters in favour of lenders;
 - c. Hypothecation of the entire stock of raw material, finished goods, stocks in transit, stores & spares, finished goods at depots and all other current assets and receivables both present and future;
 - d. Hypothecation of the machinery; and
 - e. This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

3. **Re-payment:** The working capital facilities are typically repayable either on the last business day of the term for which such advance was drawn down, or on demand by the lender. The repayment period for term loans is stipulated in monthly or quarterly instalments or by way of a one-time payment.
4. **Prepayment:** The loans availed by our Company typically have prepayment provisions which allows for prepayment of the outstanding loan amount at any given point in time, subject to such prepayment charges as may be decided by the lender at the time of such prepayment. The prepayment charges shall be levied as decided by the bank at the time of prepayment.
5. **Penalty:** The loans availed by our Company typically contain provisions prescribing penalties for delayed payment or default in the repayment obligations of our Company or delay in creation of the stipulated security or certain specified obligations.
6. **Restrictive covenants:** Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we required to take the prior approval of the lender before carrying out such activities, without which, it would result in an event of default under the financing arrangements. Written consents/approvals are required for the actions, including but not limited to, the following:
 - Change in the ownership or control of our Company whereby the effective beneficial ownership or control of the Company shall change;
 - To enter into any scheme of merger, amalgamation, compromise, reconstruction, reconstitution, dissolution etc.;
 - Any material changes in the management of the Company;
7. **Events of Default:** Our financing arrangements specify the occurrence of certain events as events of default, some of which are listed below. The events of defaults, including but not limited to, are as follows:
 - non-payment or default of any amounts due on the facility or loan obligation;
 - non-submission or delayed submission of stock and book debts statement;
 - non-submission or delayed submission of other financial information or equipment reports;
 - non-submission or delayed submission of financial statements;
 - non-compliance with the terms of the sanction letters;
 - Creation or permitting the creation of any further charge on the secured assets (including shares of our Company provided as security) or providing any guarantees to other lenders without prior consent of the lender;

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended September 30, 2018 and for the financial year ended March 31, 2018, 2017 and 2016. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "*Financial Statements*" and the chapter titled "*Financial Statement, as Restated*" on page 158 of the Draft Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "*Risk Factors*" on page 17 of this Draft Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "*Forward-Looking Statements*" on page 11 of this Draft Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to M K Roy & Bros Projects Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for Financial Years 2018, 2017 and 2016 included in this Draft Prospectus beginning on page 158 of this Draft Prospectus.

BUSINESS OVERVIEW

To acquire the business of M/s. M K Roy & Bros, a partnership firm as a going concern, our Company was incorporated in the name of M K Roy & Bros Projects Private Limited, as a private limited company, under the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2000. Our Company has been subsequently converted into a public company and consequently the name of the Company has been changed to M K Roy & Bros Projects Limited.

Incepted in year 2000, today we are a company with state of art facilities, in construction / fabrication business of Petroleum Storage Tank (Vertical Cone Roof, Floating Roof and Horizontal UG Tank), Fire Hydrant pipeline, Foam system, Sprinkler system TDW & TLF gantry and other supply of materials across India, with a number of reputed clients across the country. Our Company execute project on Engineering, Procurement and Construction (EPC) basis. With creativity in every aspect of operations and determination to provide solution to complex technological problems in design, engineering, manufacturing and the zeal to provide best results despite of all constraints in field jobs, have provided M K Roy & Bros. recognition for quality and all-round excellence.

Our Company is a comprehensive source for:

- Petroleum Tank Terminal
- Electrical Heat Tracing
- Grease Kettle
- Pressure Vessel
- Heat Exchangers
- Heavy structural
- Civil jobs
- Large warehouses/L.P.G. godowns
- Piping
- IBR Pipeline
- Heating Coil

Our customer base includes one of the prime names of Oil & Gas sector corporate in India:

- Indian Oil Corporation Limited
- Hindustan Petroleum Corporation Limited
- Bharat Petroleum Corporation Limited
- Indian Oil Tanking
- Balmare Lawrie Co. Ltd.
- IMC Limited

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and LM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on December 13, 2018 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The shareholders of our Company approved the resolution for conversion of M K Roy & Bros Projects Private Limited to M K Roy & Bros Projects Limited in their EGM held on December 15, 2018.
- The shareholders of our Company appointed Mr. Mihir Kumar Roy as Managing Director and Chairman, Ms. Sulekha Roy and Ms. Pritha Roy as Whole time Director in the Annual General Meeting held on September 29, 2018.
- The shareholders of our Company appointed Mr. Dhananjay Kumar and Mr. Suresh Chandra Singh as Non-executive Independent Directors in the annual general meeting held on September 29, 2018.
- The shareholders of our Company have approved the proposal for increase in authorised capital from Rs. 2,00,00,000 divided into 20,00,000 Equity shares to Rs. 3,00,00,000 divided into 30,00,000 Equity Shares in the Extra-Ordinary Meeting held on December 21, 2018.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 19 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Government spending on Oil and Gas Sector;
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular Oil and Gas Sector may adversely

- affect our business and financial condition;
- Volatility in the Indian and global capital market;

DISCUSSION ON RESULT OF OPERATION

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 158 of the Draft Prospectus.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

◆ **Revenue of operations**

Our Company’s revenue is primarily generated from construction / fabrication of Petroleum Storage Tanks, Pipelines and other industrial structures.

◆ **Other Income**

Our other income mainly consists of interest from banks and insurance claim.

(Rs. In Lakhs)

Revenue	For the period ended March 31,			For the month ended September 30, 2018
	2016	2017	2018	
Revenue from operations	4,419.30	4,590.85	5,937.38	2,940.56
As a % of total Income	98.70%	99.02%	99.02%	98.27%
Other Income	58.04	45.31	58.88	51.73
As a % of Total Income	1.30%	0.98%	0.98%	1.73%
Total Revenue	4,477.34	4,636.16	5,996.26	2,992.29

Expenditure

Our total expenditure primarily consists of raw materials, employee benefit expenses, finance costs and other expenses.

◆ **Raw Materials**

It includes Steel, Paints and Pipes & fittings.

◆ **Employment Benefit Expenses**

It includes Salaries and allowances, Contributions to provident and other funds, Gratuity, Leave encashment and other expenses.

◆ Other Expenses

It includes consumption of stores & spare parts, subcontracting, freight, machine hire charges, travelling expenses, rent and other expenses.

◆ Finance Costs

Our finance costs mainly include lease finance charges, Bank charges and interest.

◆ Depreciation

Depreciation includes depreciation and amortization.

RESULTS OF OUR OPERATION

(Rs. In Lakhs)

Particulars	31-Mar-16	31-Mar-17	31-Mar-18	30-Sep-18
Incomes:				
Revenue from Operations	4,419.30	4,590.85	5,937.38	2,940.56
% of total revenue	98.70%	99.02%	99.02%	98.27%
% Increase/(Decrease)	21.67%	3.88%	29.33%	-50.47%
Other income	58.04	45.31	58.88	51.73
% of total revenue	1.30%	0.98%	0.98%	1.73%
% Increase/(Decrease)	-1.98%	-21.93%	29.95%	-12.14%
Total Revenue	4,477.34	4,636.16	5,996.26	2,992.29
Expenses:				
Purchase of stock	1,240.79	1,516.40	2,143.99	1,075.70
% of total revenue	27.71%	32.71%	35.76%	35.95%
% Increase/(Decrease)	9.74%	22.21%	41.39%	-49.83%
Change in Inventory	(88.58)	26.97	(319.64)	(341.59)
% of total revenue	-1.98%	0.58%	-5.33%	-11.42%
% Increase/(Decrease)	-423.00%	-130.45%	-1285.17%	6.87%
Other Expenses	2,491.96	2,231.35	2,916.10	1,502.11
% of total revenue	55.66%	48.13%	48.63%	50.16%
% Increase/(Decrease)	35.39%	-10.46%	30.69%	-48.49%
Employee Benefit expenses	381.18	369.48	532.90	356.83
% of total revenue	8.51%	7.97%	8.89%	11.92%
% Increase/(Decrease)	20.25%	-3.07%	44.23%	-33.04%
Total Expense	4,025.35	4,144.20	5,273.35	2,593.05
% of total revenue	89.90%	89.39%	87.94%	86.62%
% Increase/(Decrease)	21.40%	2.95%	27.25%	-50.85%
Profit before Interest, Depreciation and Tax	451.99	491.96	722.91	399.24
% of total revenue	10.10%	10.61%	12.06%	13.34%
Depreciation and amortization expenses	44.68	45.39	53.16	28.29
% of total revenue	1.00%	0.98%	0.89%	0.95%
% Increase/(Decrease)	-10.83%	1.59%	17.12%	-46.78%

Profit before Interest and Tax	407.31	446.57	669.75	370.95
% of total revenue	9.10%	9.63%	11.17%	13.34%
Financial Charges	142.33	118.79	171.83	76.44
% of total revenue	3.18%	2.56%	2.87%	2.55%
% Increase/(Decrease)	0.355	-0.165	0.447	-0.555
Profit before Tax & Extraordinary Expenses	264.98	327.78	497.92	294.51
% of total revenue	5.92%	7.07%	8.30%	9.84%
Extraordinary Expenses	-	-	-	-
Restated Profit/(Loss) before tax	264.98	327.78	497.92	294.51
% of total revenue	5.92%	7.07%	8.30%	9.88%
% Increase/(Decrease)	20.04%	23.70%	51.91%	-40.63%
Tax expenses/(income)				
Provisions for Tax	85.00	105.00	160.00	76.50
Provisions for Deferred Tax	(2.43)	0.36	(0.23)	(1.03)
Total tax expenses	82.57	105.36	159.77	75.47
% of total revenue		2.27%	2.66%	2.52%
Restated profit/(loss) after Tax	182.41	222.42	338.15	219.04
% of total revenue	4.07%	4.80%	5.64%	7.32%
% Increase/(Decrease)	20.56%	21.93%	52.03%	-34.90%

Our income is dependent upon few major customers, details of the same is as following:

(Rs. In Lakhs)

#	Name of the Customer	2017-18	%	2016-17	%	2015-16	%
1	Hindustan Petroleum Corporation Limited	2030.49	29.49	2194.08	44.93	2540.96	53.59
2	Indian Oil Corporation Limited	3220.51	46.78	1492.43	30.56	872.03	18.39
3	Bharat Petroleum Corporation Limited	1363.16	19.80	1019.74	20.88	1058.71	22.33
	Total Sale to Top 3 Customer during F.Y	6614.16	96.07	4706.25	96.37	4471.7	94.32
	Total sale During F.Y	6884.71		4883.34		4741.23	

REVIEW OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2018

Income from Operations

Our revenue from operations for the period ended September 30, 2018 was Rs. 2,940.56 Lakhs which was about 98.27% of the total revenue and which includes revenue from construction / fabrication of Petroleum Storage Tanks, Pipelines and other industrial structures.

Other Income

Our other income for the period ended September 30, 2018 was Rs.51.73 Lakhs which was about 1.73% of the total revenue and which includes interest income.

Expenditure

Cost of materials consumed

The Cost of materials consumed for the period ended September 30, 2018 were Rs.1075.7 Lakhs which was about 35.95% of the total revenue and which includes Steel, Paints and Pies & fittings.

Employee Benefits expenses

The employee benefits expenses for the period ended September 30, 2018 were Rs. 356.83 Lakhs which was about 11.92% of the total revenue and which includes Salaries and allowances, Contributions to provident and other funds, Gratuity, Staff welfare expenses and other expenses.

Other Expenses

Other Expenses for the period ended September 30, 2018 were Rs. 1502.11 Lakhs which was about 50.20% of the total revenue and which includes consumption of stores & spare parts, subcontracting, freight, machine hire charges, travelling expenses, rent and other expenses.

EBIDTA

Our EBITDA for the period ended September 30, 2018 were Rs.399.24 Lakhs.

Financial Costs

Financial costs for the period ended September 30, 2018 were Rs.76.44 Lakhs which was about 2.55% of the total revenue and which consists of interest expenses and Bank charges.

Depreciation

Depreciation for the period ended September 30, 2018 were Rs. 28.29 Lakhs which was about 0.95% of the total revenue and which consists of depreciation and amortization.

Profit /(Loss) after Tax

PAT for the period ended September 30, 2018 was Rs. 219.04 Lakhs.

FISCAL YEAR ENDED MARCH 31, 2018 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2017

Income

Total revenue has increased by Rs. 1,360.10 Lakhs and 29.34% from Rs. 4,590.85 Lakhs in the fiscal year ended March 31, 2017 to Rs. 5,937.38 Lakhs in the fiscal year ended March 31, 2018. The increase in revenue is on account of increase in operation.

Expenditure

Total Expenditure increased by Rs. 1,129.15 Lakhs and 27.25%, from Rs. 4,144.20 Lakhs in the fiscal year ended March 31, 2017 to Rs. 5,273.35 Lakhs in the fiscal year ended March 31, 2018. Overall expenditure has increased mainly due to increase volume of operations.

Cost of Materials Consumed

Cost of Materials Consumed in terms of value and percentage increased by Rs. 627.59 Lakhs and 41.39% from Rs. 1516.40 Lakhs in the fiscal year ended March 31, 2017 to Rs. 2143.99 Lakhs in the fiscal year ended March 31, 2018. Cost of Materials Consumed has increased due to increase in volume of operation.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by Rs. 163.42 Lakhs and 44.23% from Rs. 369.48 Lakhs in the fiscal year ended March 31, 2017 to Rs. 532.9 Lakhs in the fiscal year ended March 31, 2018. Overall employee cost has increased due to increase in general increment in salary & incentives to employees and increase in no. of employees.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 684.75 Lakhs and 30.69% from Rs. 2,231.35 Lakhs in the fiscal year ended March 31, 2017 to Rs. 2,916.1 Lakhs in the fiscal year ended March 31, 2018. Other Expenses has increased mainly due to increase in consumption of stores & spare parts, subcontracting, freight, machine hire charges, travelling expenses, rent and other expenses.

Profit before Tax and Extraordinary items

Profit before exceptional & extraordinary items and Tax has increased by Rs. 170.14 Lakhs and 51.91% from Rs. 327.78 Lakhs in the fiscal year ended March 31, 2017 to Rs. 497.92 Lakhs in the fiscal year ended March 31, 2018. Profit before exceptional & extraordinary items and Tax has increased due to increase in revenue from operations.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 53.04 Lakhs and 44.65% from Rs. 118.79 Lakhs in the fiscal year ended March 31, 2017 to Rs. 171.83 Lakhs in the fiscal year ended March 31, 2018. Finance Costs has increased mainly due to higher interest outgo on increased borrowings.

Depreciation & Amortization Expenses

Depreciation in terms of value increased by Rs.7.77 Lakhs and 17.12% from Rs. 45.39 Lakhs in the fiscal year ended March 31, 2017 to Rs.53.16 Lakhs in the fiscal year ended March 31, 2018. Decrease in depreciation is general in nature.

Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 115.73 Lakhs and 52.03% from profit of Rs. 222.42 Lakhs in the fiscal year ended March 31, 2017 to profit of Rs. 338.15 Lakhs in the fiscal year ended March 31, 2018. Net profit has increased due to increase in revenue from operations and increase in operation.

FISCAL YEAR ENDED MARCH 31, 2017 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2016

Income

Total revenue has increased by Rs. 158.82 Lakhs and 3.55% from Rs. 4,477.34 Lakhs in the fiscal year ended March 31, 2016 to Rs. 4,636.16 Lakhs in the fiscal year ended March 31, 2017. The increase in revenue is on account of marginally increase in operation.

Expenditure

Total Expenditure increased by Rs. 118.85 Lakhs and 2.95%, from Rs. 4,025.35 Lakhs in the fiscal year ended March 31, 2016 to Rs.4,144.20 Lakhs in the fiscal year ended March 31, 2017. Overall expenditure has marginally increased mainly due to increase volume of operations.

Cost of Materials Consumed

Cost of Materials Consumed in terms of value and percentage increased by Rs. 275.61 Lakhs and 22.21% from Rs. 1,240.79 Lakhs in the fiscal year ended March 31, 2016 to Rs. 1,516.40 Lakhs in the fiscal year ended March 31, 2017. Cost of Materials Consumed has increased due to increase in contracts includes supply of materials.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage decreased by Rs. 11.7 Lakhs and 3.07% from Rs. 381.18 Lakhs in the fiscal year ended March 31, 2016 to Rs. 369.48 Lakhs in the fiscal year ended March 31, 2017. Overall employee cost has marginally reduced.

Other Expenses

Other Expenses in terms of value and percentage reduced by Rs. 260.61 Lakhs and 10.46% from Rs. 2491.96 Lakhs in the fiscal year ended March 31, 2016 to Rs. 2231.35 Lakhs in the fiscal year ended March 31, 2017. Other Expenses has reduced mainly due to increase in contracts includes supply of materials.

Profit before Tax and Extraordinary items

Profit before exceptional & extraordinary items and Tax has increased by Rs.62.80 Lakhs and 23.70% from Rs. 264.98 Lakhs in the fiscal year ended March 31, 2016 to Rs. 327.78 Lakhs in the fiscal year ended March 31, 2017. Profit before exceptional & extraordinary items and Tax has increased due to increase in revenue from operations.

Finance Costs

Finance Costs in terms of value and percentage decreased by Rs. 23.54 Lakhs and 16.54% from Rs. 142.33 Lakhs in the fiscal year ended March 31, 2016 to Rs. 118.79 Lakhs in the fiscal year ended March 31, 2017. Finance Costs has decreased mainly due to lower interest outgo on borrowings.

Depreciation & Amortization Expenses

Depreciation in terms of value marginally increased by Rs. 0.71 Lakhs and 1.59% from Rs. 44.68 Lakhs in the fiscal year ended March 31, 2016 to Rs. 45.39 Lakhs in the fiscal year ended March 31, 2017. Decrease in depreciation is general in nature.

Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 40.01 Lakhs and 21.93% from profit of Rs. 182.41 Lakhs in the fiscal year ended March 31, 2016 to profit of Rs. 222.42 Lakhs in the fiscal year ended March 31, 2017. Net profit has increased due to increase in revenue from operations and increase in operation.

Other Matter:

1. Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled “Risk Factors” beginning on page 19 of this Draft Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Income and Sales on account of major product/main activities.

Income and sales of our Company on account of major products/ main activities derives from construction/fabrication of Petroleum Storage Tanks, Pipelines and other industrial structures.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. 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

Our Company’s future costs and revenues can be impacted by an increase in labour costs as the company looks to hire talent with new skills and capabilities for the digital economy who may be in short supply.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. 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.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates

The Company is operating in Oil and Gas Industry. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 82 of this Draft Prospectus.

9. Status of any publicly announced new products or business segments

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Prospectus.

10. The extent to which the business is seasonal

Our Company's business is not seasonal. However, the business of the company does depend on Growth potential in the region and country's economy.

11. Any significant dependence on a single or few suppliers or customers

Our Company was significantly dependent on 3 major PSU customers since inception. For further details refer the chapter titled "*Risk factor*" and "*Our Business*" on page 19 and 95 of Draft Prospectus.

12. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "*Our Business*" on page 95 of this Draft Prospectus.

Capitalisation statement

For detailed information on Capitalisation Statement please refer Annexure 31 of Restated Financial Statements on page number 178 of this Draft Prospectus.

SECTION VII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered material for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter *exceed Rs. 50 Lakh* as determined by our Board, in its meeting held on December 13, 2018.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Prospectus

I. Litigations involving our Company

A. Against our Company

(i) Criminal Proceedings

There are no criminal proceedings initiated / filed against our Company.

(ii) Actions by statutory/regulatory authorities

There are no actions initiated by any statutory / regulatory authorities against our Company.

(iii) Tax proceedings

Except for the proceedings disclosed below, there are no tax proceedings involving our Company, our Promoters and our Directors:

#	Particulars	Authority	Amount due on Period ended September 30, 2018	Amount due on Year ended March 31, 2018
1.	Service Tax demand for Financial Year 2009-10	Appellate Tribunal, Kolkata (Appeal)	24,16,473	24,16,473
2.	Service Tax demand for Financial Year 2011-12, 2012-13 and 2013-14	Commissioner of CGST and CX (Appeals-I) (Appeal)	93,83,800	93,83,800
	Total (A)		118,00,273	118,00,273
3.	VAT demand for Financial Year 2013-14	West Bengal Commercial Taxes Appellate & Revision Board (Appeal)	37,22,366	37,22,366
4.	VAT demand for Financial Year 2014-15	Joint Commissioner Office, Sales Tax, Behala (Appeal)	17,20,641	17,20,641
	Total (B)		54,43,007	54,43,007
5.	Income Tax Demand for the Assessment Year 2015-16	Commissioner of Income Tax (Appeal)	110,39,520	110,39,520
	Total (C)		110,39,520	110,39,520
	Grand Total (A+B+C)		282,82,800	282,82,800

B. By our Company

(i) Criminal Proceedings

There are no criminal proceedings initiated / filed by our Company.

(ii) Actions by statutory/regulatory authorities

There are no actions initiated before any statutory / regulatory authorities by our Company.

(iii) Tax proceedings

Except for the proceedings disclosed in this section, there are no tax proceedings filed by our Company.

(iv) Tax proceedings

There are no material pending litigations initiated / filed by our Company.

II. Litigations involving our Promoters

A. Against our Promoters

Nil

B. By our Promoters

Nil

III. Litigations involving our Directors other than Promoters of our Company

A. Against our Directors

Nil

B. By our Directors

Nil

IV. Litigations involving our Group Entities

A. Against our Group Entities

Nil

B. By our Group Entities

Nil

V. Litigations relating to the Subsidiary Company

A. Against Directors of our Subsidiary Company

Nil

B. By Directors of our Subsidiary Company

Nil

VI. Litigations relating to the Directors of Group companies

A. Against Directors of our Group Companies

Nil

B. By Directors of our Group Companies

Nil

VII. Other litigations involving any other entities which may have a material adverse effect on our Company

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

VIII. Details of the past penalties imposed on our Company / Directors

As on the date of the Draft Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

IX. Outstanding dues to Creditors

The Company on December 13, 2018 has through its Board of Directors adopted a materiality policy for disclosing outstanding amounts to creditors. Based on the same, as on December 13, 2018, our Company had outstanding dues to creditors as follows:

Nature of Creditors	Number of creditors	Amount (Rs. in Lakhs)
Micro, small and medium enterprises	Nil	Nil
Others	5	425.28
Total	5	425.28

Further, the Company on December 13, 2018, has no outstanding amount to any micro enterprises and small enterprises based on available information.

X. Change in Accounting Policies in the last Three (3) years

There has been no change in accounting policies in the last three (3) years.

XI. Material developments occurring after last balance sheet date, that is, September 30, 2018

Except as disclosed in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company” beginning on page number 204 of this Draft Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in

this Draft Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its consolidated assets or its ability to pay its material liabilities within the next 12 months.

We certify that except as stated herein above:

- a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years..
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoters / Directors in their personal capacity.
- g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h. There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.
- i. There are no the status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- j. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of the Draft Prospectus.

It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 114 of the Draft Prospectus.

APPROVALS FOR THE ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on December 13, 2018 the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The shareholders have, pursuant to the resolution dated December 15, 2018 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on SME Platform of NSE. NSE is the Designated Stock Exchange.
4. The Company has entered into an agreement dated October 27, 2018, with the Central Depository Services (India) Limited (“CDSL”), and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
5. The Company has also entered into an agreement dated October 16, 2018 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
6. The Company’s International Securities Identification Number (“ISIN”) is INE01VR01017.

APPROVALS FROM LENDERS

1. The Company has obtained all the relevant approvals from Dena Bank Limited dated September 25, 2018.

A. Corporate / General Authorisations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid upto
1.	Certificate of	Registrar of	U45209WB2000PT	Companies	December 11,	Perpetual

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid upto
	Incorporation in the name of ' <i>M K Roy & Bros Projects Private Limited</i>	Companies, West Bengal	C092689	Act, 1956	2000	
2.	Fresh Certificate of Incorporation consequent upon change of name to ' <i>M K Roy & Bros Projects Limited</i> '	Registrar of Companies, West Bengal	U45209WB2000PL C092689	Companies Act, 2013	December 13, 2018	Perpetual
3.	Certificate of Enlistment	Budge Budge Municipality	200112018006411	The West Bengal Municipal Act, 1993	June 20, 2018	31 st March, 2019

B. Tax Related Authorisations

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AADCM1386R	December 11, 2000	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	CALM04925E	April 27, 2004	Perpetual
3.	Service Tax Registration	Office of the Assistant Commissioner Service Tax	AADCM1386RST001	July 11, 2007	Perpetual
4.	Value Added Tax	Commercial Taxes Department, Govt. of West Bengal	19631473041	October 13, 2006	Valid until cancellation
5.	Dealer under Central Sales Tax	Commercial Taxes Department, Govt. of West Bengal	19631473235	October 13, 2006	Valid until cancellation
6.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	19AADCM1386RIZQ	September 20, 2017	Valid until cancellation
7.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	36AADCM1386R1ZU	September 26, 2017	Valid until cancellation
8.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	23AADCM1386R1Z1	October 28, 2017	Valid until cancellation
9.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	32AADCM1386R1Z2	July 24, 2017	Valid until cancellation

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
10.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	20AADCM1386R1Z7	September 12, 2017	Valid until cancellation
11.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	01AADCM1386R1Z7	September 26, 2017	Valid until cancellation
12.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	10AADCM1386R2Z7	September 23, 2017	Valid until cancellation
13.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	18AADCM1386R1ZS	September 23, 2017	Valid until cancellation
14.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	12AADCM1386R1Z4	October 28, 2017	Valid until cancellation
15.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	07AADCM1386R1ZV	July 17, 2018	Valid until cancellation
16.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	33AADCM1386R1Z0	August 02, 2018	Valid until cancellation
17.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	09AADCM1386R1ZR	July 28, 2018	Valid until cancellation
18.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	27AADCM1386R2ZS	March 31, 2018	Valid until cancellation
19.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	02AADCM1386R1Z5	November 15, 2018	Valid until cancellation
20.	GST Registration Certificate	Central Board of Excise and Custom (CBEC).	21AADCM1386R1Z5	June 06, 2017	Valid until cancellation

C. Business Related Certifications

Our Company has received the following significant government and other approvals pertaining to our business:

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid Upto
1.	Certificate of Enrolment 419, Sidha Weston, 9, Weston Street, Kolkata, 700013	Deputy Commissioner, Profession Tax	192102041644	West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 (West Ben. Act VI of 1979).	May 22, 2018	Valid until cancellation

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid Upto
2.	Certificate of Enrolment 68/A, Netaji Subhash Road, PS-Budge, Budge Budge, 700137	Deputy Commissioner, Profession Tax	192029746574	West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 (West Ben. Act VI of 1979).	August 08, 2015	Valid until cancellation
3.	Government Purchase Enlistment Certificate For - Village Chakparna, Bowali, PS Nodakhali, South 24, Parganas, West Bengal-74339	The National Small industries Corporation Limited (A Government of India Enterprise)	NSIC/KOL/GP/RS /REGN/WB/M-711/07		April 20, 2017	April 19, 2019
4.	Udhyog Aadhar	Ministry of Micro, Small & Medium Enterprises	WB18B0010924	-	March 17, 2017	Valid Till Cancellation

D. Factory and Labour related Approvals/ Certifications

Our Company has received the following significant government and other approvals pertaining to our Factory and Labour:

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid upto
1.	Entrepreneur's Memorandum Number	Project Manager (EDF), District Industries Centre	190181206088	Small Enterprises as per MSMED Act, 2006	April 08, 2009	Valid until cancellation
2.	Provident Fund Registration	Office of Regional Provident Fund Commissioner West Bengal	R-ENF/SPL/ WB/CA/29808/ 1256	Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the schemes framed there under.	March 24, 1995	Valid until cancellation
3.	No Objection Certificate (Consent to Establish) Unit 2 - Village & PO, Dakkhin Raipur, PS-	West Bengal Pollution Control Board	181/64/WBPC B/ARO/NOC/0 (46)/2015	Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981	November 23, 2015	November 30, 2020


Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Date of Issue	Valid upto
	Nodakhali, 24 Parganas South-743318					
4.	ESIC Registration	The Regional Director West Bengal Region	C/RR/41-21286-102	Employees State Insurance Act, 1948	October 30, 1990	Valid until cancellation
5.	Group Insurance-cum-Life Assurance (Cash Accumulation) Scheme – Gratuity	Manager (P&GS), LIC	GG/CA/211711	Payment of Gratuity Act, 1972	December 16, 2006	Valid until cancellation

E. Approvals applied for but not yet received/Renewals made in the usual course of business:

Sr. No.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Applicable Act/ Regulation	Validity Expired	Applied for renewal
1.	No Objection Certificate (Consent to Establish) Village Chakparna, Bowali, PS Nodakhali, South 24, Parganas, West Bengal-74339	West Bengal Pollution Control Board	CO89996	Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981	June 30, 2018	November 29, 2018

F. Intellectual Property

1. Our Company has applied for the following trademarks:

Sr. No	Mark	Application No.	Class	Proprietor	Date of Application	Date of Expiry	Registration Status
1.		3916411	42	MK Roy Bros Projects Ltd.	August 14, 2018	Not Applicable	Objected

2. The Details of Domain Names Registered in the Name of the Company:

Sr. No.	Domain Name and ID	Sponsoring Registrar and IANA ID	Registrant Name and Registrant Organization	Creation Date	Registration Expiry Date
1.	www.mkroyprojects.com	1007	Mihir Kumar Roy and Net 4 India Limited	September 04, 2018	September 04, 2023

G. Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion

NIL

Note : Above approvals are in the name of M K Roy & Bros Projects Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. M K Roy & Bros Projects Limited.

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on December 13, 2018.
2. The shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on December 15, 2018 and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on SME Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved the Draft Prospectus through its resolution dated January 29, 2019.
5. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page number 219 of the Draft Prospectus.

Prohibition by SEBI

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the 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.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Prohibition by RBI or Governmental authority

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our Directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus. Under the SBO Rules certain persons

who are ‘significant beneficial owners’, are required to intimate their beneficial holdings to our Company in Form no. BEN-1. However, pursuant to the General Circular no. 8/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India (“MCA”), filing of Form no. BEN – 1 under the SBO Rules has been deferred until further notification from MCA. Therefore, compliance by such shareholders, Promoters and members of the Promoter Group, with the SBO Rules, to the extent applicable to each of them will be completed only upon further notification by the MCA.

Directors associated with the Securities Market

We confirm that none of our Directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Prospectus.

ELIGIBILITY FOR THIS ISSUE

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229 (1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations as amended from time to time, as we are an Issuer whose post issue face value paid up capital is less than Rs.1000 Lakhs, and we may hence, issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “NSE EMERGE”)

We confirm that:

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue has been hundred percent underwritten and that the Lead Manager to the Offer has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 46 of the Draft Prospectus.
- b) 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 (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Lead Manager shall ensure that the Issuer shall file a copy of the Draft Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus/Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information – Details of the Market Making Arrangements for this Issue*” on page 46 of this Draft Prospectus.

NSE ELIGIBILITY NORMS:

1. The Company has been incorporated under the Companies Act 1956 / 2013 in India.
2. The post issue paid up capital of the company (face value) will not be more than Rs. 2500 Lakhs.
3. The Company has positive Net worth (excluding revaluation reserves) which is Rs. 1,426.06 Lakhs as per the audited financial Statements as on March 31, 2018.

Details of Net Worth of the Company in past years are as under:

(Rs. In Lakhs)

Particulars	30-Sep-18	31-Mar-18	31-Mar-17	31-Mar-16
Net Worth	1,646.22	1,426.06	1,131.22	952.02

4. Track record of positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years.

(Rs. In Lakhs)

Particulars	30-Sep-18	31-Mar-18	31-Mar-17	31-Mar-16
Profit before Tax as per P&L Account	294.51	497.92	327.78	264.99
Add: Depreciation	28.29	53.16	45.39	44.68
Positive Cash Accruals (earnings before depreciation and tax)	322.80	551.08	373.17	309.67

5. Other Requirements

- Our Company has been incorporated under the Companies Act 1956, in India.
- Our Company has track record of Two years.
- The company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the depositories. Also the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: www.mkroyprojects.com
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE EMERGE.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER(S), HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, CORPORATE CAPITALVENTURES PVT. LTD. 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 CORPORATE CAPITALVENTURES PVT. LTD. HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 29, 2019 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

THE FILING OF THE DRAFT PROSPECTUS / PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS / PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, West Bengal, in terms of Section 26 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus 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 <http://www.mkrbppl.com> would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our

Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Price Information and the track record of the past Issues handled by the Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to 'Annexure A' to the Draft Prospectus and the website of the Lead Manager at www.ccvindia.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, Mutual Funds, 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, 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 Draft 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 Draft 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 Bangalore 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 the Draft Prospectus had been filed with NSE SME for its observations and NSE SME gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft 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 U.S Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

National Stock Exchange of India Limited (NSE) has given permission vide letter [●] dated [●], to use its name in the offer document in respect of the proposed public issue of equity shares. The disclaimer clause of stock exchange is as given below:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●] permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States and may not be offered 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.

Listing

The Equity Shares of our Company are proposed to be listed on NSE EMERGE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●] for listing of equity shares on SME Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE as mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- a. makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or*
- b. otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”*

The Draft Prospectus will be filed with National Stock Exchange of India Limited, National Stock Exchange of India Ltd., 1st Floor, Park View Apartments, 99, Rash Behari Avenue, Kolkata - 700 029.

A copy of the Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Draft Prospectus in term of Regulation 229(3) of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, Mumbai for their record purpose only.

Consents

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Prospectus with NSE.

Expert Opinion

Except for (a) Statutory Auditors' reports on the restated financial statements; and (b) Statement of Tax Benefits by the statutory auditors, M/s. Jain Singh & Co., Chartered Accountants (a copy of the said report and statement of tax benefits has been included in the Draft Prospectus), we have not obtained any other expert opinions.

Previous Rights and Public Issues since incorporation

We have not made any previous rights and/or public issues since incorporation, 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.

Previous Issues of Shares otherwise than for Cash

Other than as detailed under chapter titled 'Capital Structure' beginning on page 53 of the Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage on Previous Issues

Since this is the IPO 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 five years preceding the date of Draft Prospectus.

Previous capital issue during the previous three years by listed subsidiaries, group companies and associates of our Company

None of Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Prospectus.

Performance vis-à-vis Objects – Public/ Rights Issue of our Company

Our Company has not undertaken any public or rights issue in the five (5) years preceding the date of this Draft Prospectus.

Performance vis-à-vis Objects – Public/ Rights Issue of the listed subsidiaries of our Company

None of our Subsidiaries are listed on any stock exchange.

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Memorandum of Understanding dated January 15, 2019 executed between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer will be as per the Agreement signed by our Company and the Registrar to the Offer dated [●] a copy of which is available for inspection at our Registered Office. The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Offer to enable them to send refund orders or allotment advice by registered post/speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor, Credit Rating Agency and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by our Company

As on the date of the Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

Option to Subscribe

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

Stock Market Data for our Equity Shares

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer 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 Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, 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 Bid-cum-Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Shakeel Ahmed as the Company Secretary and Compliance Officer and he may be contacted at the following address:

M K Roy & Bros Projects Limited

68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal – 743319

Tel: +91 33 24703898;

E-mail: cs@mkroyprojects.com

Website: www.mkrbppl.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

SECTION VIII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on December 13, 2018 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on December 15, 2018.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' beginning on pages 157 of Draft Prospectus.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10. The Issue Price of Equity Shares is Rs. [●] per Equity Share. The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “Basis of Issue Price” beginning on page 76 of this Draft Prospectus.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

Minimum Application Value, Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Prospectus:

- Tripartite agreement dated October 27, 2018 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated October 16, 2018 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] 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(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within four (4) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai, India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. 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 (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "Capital Structure" on page 53 of this Draft Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "Main Provisions of Articles of Association" on page 272 of this Draft 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 herein above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Withdrawal of the Issue

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money

has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 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(1) 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 Lac only) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Migration to Main Board

Our company may migrate to the main board of National Stock Exchange of India Limited at a later date subject to the following:

a) If the Paid up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25Crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue is proposed to be listed on the SME Platform of National Stock Exchange of India Limited wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the National Stock Exchange of India Limited for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the Market Making arrangement see chapter titled “General Information-Details of the Market Making Arrangements for this Issue” beginning on page 46 of this Draft Prospectus.

In accordance with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it has decided to make applicable limits on the upper side for the Market Maker during market making process taking into consideration the Issue size in the following manner:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

- The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 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 Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 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.

- The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five 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.
- **Risk containment measures and monitoring for Market Makers:** Emerge of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- **Punitive Action in case of default by Market Makers:** Emerge of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

Price Band and Spreads: Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets 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 Crore To Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

Arrangements for disposal Of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the

entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE EMERGE.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter 'Capital Structure' beginning on page 53 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

Option to receive securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs.

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

ISSUE PROCEDURE

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Prospectus.

Pursuant to the SEBI ICDR Regulations, the ASBA process is mandatory for all investors excluding Anchor Investors and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Application forms. All Applicants shall ensure that the ASBA Account has sufficient credit balance such that the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the SCSBs.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Chapter IX of SEBI (ICDR) Regulations, 2018 via Fixed Price Process.

Applicants are required to submit their Applications to the SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to an Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency. There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Draft Prospectus together with the Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

Application Form used by ASBA applicants. Upon completing and submitting the Application Form for Applicants to the SCSB, the Applicant is deemed to have authorized our Company to make the necessary changes in the Draft Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form 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.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

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 including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus.

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.

- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained;
- ii. A syndicate member (or sub-syndicate member);
- iii. 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”);
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity);
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Draft Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;

- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;

- Insurance funds set up and managed by army, navy or air force of the Union of India
- Any other person eligible to applying in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF DRAFT PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Draft Prospectus together with the Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and The Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON- REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's 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.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application

without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

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.

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.

APPLICATIONS BY ELIGIBLE NRI

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 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 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents 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 a income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in color).

APPLICATIONS BY ELIGIBLE FIIs/FPIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely “foreign institutional investors” and “qualified foreign investors” will be subsumed under a new category namely “foreign portfolio investors” or “FPIs”. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 06, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Offer. In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively. As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“ODIs”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying)

directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE

FOR INVESTMENTS BY FPIS:

1. A 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 a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) 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 SEBI (Foreign Portfolio Investors) Regulations, 2014, hold 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 from 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:

Any transactions in derivatives on a recognized stock exchange;

Short selling transactions in accordance with the framework specified by the Board;

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;

Any other transaction specified by the Board.

- b) No transaction on the stock exchange shall be carried forward;
 - c) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to;
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depositary Receipts or Global Depositary Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making 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 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 regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.
4. 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.
5. 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.

6. 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.
7. 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.
8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority
- b) Such offshore derivatives 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.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the 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.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI 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 Regulations.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers,

prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
3. The industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason. The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks’ own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of

the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for [●] Equity Shares.

b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

INFORMATION FOR THE APPLICANTS:

- a) Our Company will file the Prospectus with the Registrar of Companies, Kolkata at least 3 (three) days before the Issue Opening Date.
- b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office or from the office of the LM.
- c) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- d) Applications made in the name of minors and/ or their nominees shall not be accepted.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand payable at Mumbai.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of

Broker Centre is available on the websites of National Stock Exchange of India Limited i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the NSE. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
 2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- b) For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
1. Each successful applicant shall be allotted [●] equity shares; and
 2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- c) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

- d) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- e) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 2. The balance net offer of shares to the public shall be made available for allotment to
 1. Individual applicants other than retails individual investors and
 2. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

‘Retail Individual Investor’ means an investor who applies for shares of value of not more than Rs. 2,00,000/- . Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;

- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are 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.
- All Applicants should submit their application through ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- (iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of 'know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ('PAN') to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUND FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated [●] this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies, Kolkata in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI (ICDR) Regulations, 2018,, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

On the Designated date, the SCSBs shall transfer the funds represented by allocation of equity shares into public issue account with the banker to the issue. Upon approval of the basis of the allotment by the Designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of approved basis of allotment, the issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their respective depository participants to accept the equity shares that may be allotted to them pursuant to the issue. Pursuant to confirmation of such corporate actions the Registrar to the Issue will dispatch allotment advice to the applicants who have been allotted equity shares in the issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 56 of the Companies Act, 2013 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange.

PAYMENT OF REFUND

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Manager shall intimate Public Issue bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary applicants.

As per RBI Regulation, OCBs are not permitted to participate in the issue

There is no reservation for non-residents, NRIs, FIIs and Foreign Venture Capital Funds and all non-residents, NRIs, FIIs and Foreign Venture Capital Funds will be treated on the same basis with other categories for the purpose of allocation.

DISPOSAL OF APPLICATION AND APPLICATION MONIES AND INTEREST IN CASE OF DELAY

The company shall ensure the dispatch of allotment advice, instruction to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the stock exchange within one (1) working day of the date of allotment of equity shares.

The company shall use best efforts 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 with six (6) working days of the closure of the issue.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;

3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;
6. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time; and
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and
2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) We have entered into tripartite agreement dated October 16, 2018 between NSDL, the Company and the Registrar to the Issue;
- (b) We have entered into tripartite agreement dated October 27, 2018 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN No. INE01VR01017

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts etc.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant (ASBA Account) is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. The Equity Shares offered in the Issue have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 of Chapter IX of SEBI ICDR Regulations, whereby, an issuer's post issue face value capital does not exceed Rs. 1,000.00 Lakhs, may issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being NSE Emerge). For further details regarding the salient features and terms of this Issue, please refer chapters titled "Terms of the Issue" and "Issue Procedure" beginning on pages 235 and 243 respectively, of this Draft Prospectus.

Present Issue Structure

The present Issue of up-to 6,53,000* Equity Shares for cash at a price of [●] (including a premium of [●] aggregating up-to [●] Lakhs by our Company. The Issue comprises a net issue to the public of up-to [●] Equity shares (the "Net Issue"). The Issue will constitute [●]% of the post- Issue paid-up Equity Share capital of our Company and the Net Issue will constitute [●]% of the post- Issue paid-up Equity Share capital of our Company.

**Subject to change before filing Prospectus to ROC.*

Particulars of the Issue	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation	6,20,000	33,000
Percentage of Issue Size available for allocation	94.95% (50.00% to Retail Individual Investors and the balance 50.00% to other Investors)	5.05%
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to the "Basis of Allotment" on page 257 of the Draft Prospectus	Firm Allotment
Mode of Application	All Applicants must compulsorily apply through the ASBA Process (online or the Physical Form)	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such Number of Equity Shares in multiples of [●] equity shares such that the application value exceeds Rs. 2,00,000. For Retails Individuals: [●] Equity Shares	Application size shall be 3,3,000 equity shares since there is firm allotment.
Maximum Application Size	For QIBs and NII Such number of equity Shares in multiplies of [●] equity shares such that the application size does not exceeds 6,20,000 equity shares For Retails Individuals: [●] Equity Shares	Application size shall be 33,000 equity shares since there is a firm allotment
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	The entire Application Amount will be payable at the time of submission of the Application Form.

Note:

1. *In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.*
2. *Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
3. *SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs.)	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

Withdrawal of the Offer

Our Company in consultation with the LM, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- (i) The final listing and trading approvals of NSE Emerge for listing and trading of the Equity Shares issued through this Issue, which the Company shall apply for after Allotment;
- (ii) The final RoC approval of the Prospectus after it is filed with the RoC.
- (iii) In case, our Company wishes to withdraw the Issue after the Issue Opening Date but before Allotment, our Company will give public notice giving reasons for withdrawal of the Issue. The public notice will appear in all editions of [●], an English daily newspaper, all editions of [●], a Hindi daily newspaper and West Bengal edition of [●], a Bengali newspaper (Bengali being the local language of West Bengal, where our Registered Office is situated) each with wide circulation.

The LM, through the Registrar to the Issue, will instruct the SCSB to unblock the ASBA Accounts/refund the amount, as the case maybe, within one (1) Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and NSE Emerge will also be informed promptly about the same. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public issue of equity shares, our Company will file a fresh Issue draft prospectus with NSE Emerge where the equity shares may be proposed to be listed.

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m..

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e. QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by Lead Manager to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provision of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restriction on transfer and transmission of Equity Shares or debentures and /or on their consolidation/ splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalised / defined terms herein have the same meaning given them in our Articles.

The following regulations comprised in these Articles of Association were adopted pursuant to members resolution passed at the Annual general Meeting held on September 29, 2018 in substitution for and to the entire exclusion of, the regulation contain in the existing Articles of Association of the Company.

Article No.	Interpretation	Heading
1.	In these Articles unless there be something in the subject matter or context inconsistent therewith:	
i.	“The Act” means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956, to the extent not repealed, and include any statutory modification or re-enactment thereof for the time being in force.	The Act
ii.	“Articles” means Articles of Association of the Company as originally framed or altered from time to time	Articles
iii.	“Beneficial Owner” shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	Beneficial Owner
iv.	“Board or Board of Director” means the Collective body of the Board of Directors of the Company.	Board or Board of Directors
v.	“Chairman” means the Chairman of the Board of the Directors of the Company.	Chairman
vi.	“The Company” means M K ROY & BROS PROJECTS LIMITED.	The Company
vii.	“Depositories Act, 1996” shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	Depositories Act, 1996
viii.	“Depository” shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.	Depository
ix.	“Directors” mean the Directors for the time being of the Company.	Directors
x.	“Dividend” includes any interim dividend.	Dividend
xi.	“Document” means a document as defined in Section 2 (36) of the Companies Act, 2013.	Document
xii.	“Equity Share Capital”, with reference to any Company limited by shares, means all share capital which is not preference share capital.	Equity Share Capital
xiii.	“KMP” means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	KMP
xiv.	“Managing Director” means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum	Managing Director

	or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	
	xv. “Month” means Calendar month.	Month
	xvi. “Office” means the registered office for the time being of the Company.	Office
	xvii. “Paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid- up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called.	Paid-up share Capital
	xviii. “Postal Ballot” means voting by post or through any electronic mode.	Postal Ballot
	xix. “Proxy” includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.	Proxy
	xx. “Public Holiday” means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.	Public Holiday
	xxi. “Registrar” means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	Registrar
	xxii. “Rules” means the applicable rules as prescribed under the relevant sections of the Act for time being in force	Rules
	xxiii. “SEBI” means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	SEBI
	xxiv. “Securities” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)	Securities
	xxv. "Share" means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	Share
	xxvi. “Seal” means the common seal of the Company.	Seal
	xxvii. “Preference Share Capital”, with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to— payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the	Preference Share Capital

	payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;	
	<p>Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.</p> <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.</p> <p>‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.</p>	
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.	Share Capital
3.	Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	
4.	Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.	Issue of Sweat Equity Shares
5.	The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.	Issue of Debentures
6.	i. Every person whose name is entered as a member in the register of	Issue of

		Share Certificates
	<p>members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—</p> <ol style="list-style-type: none"> 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 Rupees twenty for each certificate after the first <ol style="list-style-type: none"> ii. The Company agrees to issue certificate within fifteen days of the date of lodgment of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgment for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary; iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. 	
7.	<p>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.</p>	
8.	<p>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 recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.</p>	
9.	<p>The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.</p>	

10.	<p>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>	Power to pay Commission in connection with the Securities issued
11.	<p>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</p>	Variations of Shareholder's rights
12.	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.	
13.	Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.	Issue of Preference Shares
14.	<p>1. Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p>	Further Issue of shares

	<p>b. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>c. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>2. The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>3. Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	
15.	<p>i. The Company shall have a first and paramount lien—</p> <p>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company.</p> <p>c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares;</p> <p>Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>	Lien
16.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:	

	<p>Provided that no sale shall be made—</p> <p>a. unless a sum in respect of which the lien exists is presently payable; or</p> <p>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p>	
17.	<p>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p>	
18.	<p>i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	
19.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-</p> <p>a. The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</p> <p>b. The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</p> <p>c. On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</p> <p>d. Any one of such joint-holders may give effectual receipts of any dividends</p>	<p>Joint Holdings</p>

	<p>or other moneys payable in respect of such share.</p> <p>e. Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.</p> <p>f. -</p> <p>i. Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</p> <p>ii. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</p> <p>g. The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.</p>	
20.	<p>i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:</p> <p>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.</p> <p>iii. A call may be revoked or postponed at the discretion of the Board.</p>	Calls on shares
21.	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.	
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	
23.	<p>i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time</p>	

	<p>of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.</p> <p>ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	
24.	<p>i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.</p> <p>ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture</p> <p>iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p>	
25.	<p>The Board:</p> <p>i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and</p> <p>ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p>	
26.	<p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.</p> <p>Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p>	
27.	<p>The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.</p>	
28.	<p>The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.</p>	
29.	<p>i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</p> <p>ii. Each share in the Company shall be distinguished by its appropriate number.</p> <p>iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the</p>	

	member of such shares.	Transfer of shares
30.	<p>i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>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.</p>	
31.	<p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-</p> <p>i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>ii. any transfer of shares on which the Company has alien.</p> <p>iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.</p>	
32.	<p>The Board shall decline to recognise any instrument of transfer unless—</p> <p>i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.</p> <p>Provided that, transfer of shares in whatever lot shall not be refused.</p> <p>iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),</p> <p>iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter, then the securities will be transferred;</p> <p>v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</p>	

33.	The Company agrees that in respect of transfer of shares where the Company has not affected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.	
34.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p>	
35.	The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.	
36.	The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.	Register of Transfers
37.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.</p> <p>a. The Company shall be entitled to dematerialize its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.</p> <p>b. Option for Investors:</p> <p>Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>c. Securities in Depository to be in fungible form:-</p> <ul style="list-style-type: none"> All Securities of the Company held by the Depository shall be dematerialised and be in fungible form. 	

	<ul style="list-style-type: none"> • Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners. <p>d. Rights of Depositories & Beneficial Owners:- Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company</p>	
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	shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.	
38.	<p>i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</p> <p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Transmission of shares
39.	<p>i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>a. to be registered himself as holder of the share; or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>	
40.	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	
41.	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or</p>	

	other monies payable in respect of the share, until the requirements of the notice have been complied with.	
42.	<p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p> <p>No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
43.	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.	Forfeiture of shares
44.	<p>The notice aforesaid shall—</p> <ol style="list-style-type: none"> 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 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. 	
45.	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.	
46.	<ol style="list-style-type: none"> A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. 	
47.	<ol style="list-style-type: none"> 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. 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. 	
48.	<ol style="list-style-type: none"> 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 	

	<p>claiming to be entitled to the share;</p> <p>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favor of the person to whom the share is sold or disposed off;</p> <p>iii. The transferee shall thereupon be registered as the holder of the share; and</p> <p>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.</p>	
49.	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	
50.	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.	
51.	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.	
52.	The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	
53.	The Provisions of these regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	
54.	The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	
55.	Neither a judgment in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.	Initial payment not to preclude forfeiture

56.	The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.	Alteration of capital
57.	<p>Subject to the provisions of section 61, the Company may, by ordinary resolution,—</p> <ul style="list-style-type: none"> i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; iii. 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. 	
58.	<p>Where shares are converted into stock,—</p> <ul style="list-style-type: none"> i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: <p>Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.</p> <ul style="list-style-type: none"> ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively. 	Conversion of Shares into Stock
59.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—</p> <ul style="list-style-type: none"> i. its share capital; ii. any capital redemption reserve account; or iii. Any share premium account. 	Reduction of Capital
60.	The Company may issue share warrants subject to, and in accordance	

	<p>with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>	<p>Share Warrants</p>
61.	<p>i. The Company in general meeting may, upon the recommendation of the Board, resolve-</p> <p>a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>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.</p>	

	<p>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—</p> <ol style="list-style-type: none"> paying up any amounts for the time being unpaid on any shares held by such members respectively; paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid; partly in the way specified in sub-clause (a) and partly in that specified in sub-clause(b); A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; The Board shall give effect to the resolution passed by the Company in pursuance of this-regulation. <p>iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.</p>	Capitalisation of profits
62.	<p>i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <ol style="list-style-type: none"> make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and generally to do all acts and things required to give effect thereto. <p>ii. The Board shall have power—</p> <ol style="list-style-type: none"> 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 to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts 	

	<p>remaining unpaid on their existing shares;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p>	
63.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
64.	All General Meetings other than annual general meeting shall be called extra- ordinary general meetings.	General Meeting
65.	<p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.</p> <p>iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</p>	
66.	<p>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</p> <p>ii. -</p> <p>i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</p> <p>ii. In any other case, the quorum shall be decided asunder:</p> <p>a. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>b. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p>	Proceedings at general meetings
67.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.	
68.	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.	

69.	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.	
70.	The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.	
71.	A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.	
72.	<p>i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.</p>	Demand for poll
73.	<p>i. A poll demanded on a question of adjournment shall be taken forth with.</p> <p>ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.</p>	Time of taking poll
74.	<p>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	Adjournment of meeting
75.	Subject to any rights or restrictions for the time being attached to any class or classes of shares,—	

	<p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</p>	Voting rights
76.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	
77.	<p>i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	
78.	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.	
79.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.	
80.	Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.	
81.	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.	
82.	<p>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive</p>	
83.	No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.	
84.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	Casting Vote
85.	A body corporate (whether a Company within the meaning of the Act or	

	not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.	Representation of Body Corporate
86.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.	Circulation of member's resolution
87.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	Resolution requiring special notice
88.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	Resolutions passed at adjourned meeting
89.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	Registration of resolutions and agreements
90.	<p>i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.</p> <p>ii. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:</p> <p>A. In the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>B. In the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</p> <p>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>E. All appointments of officers made at any of the meetings aforesaid shall</p>	Minutes of proceedings of general meeting and of Board and other meetings

	<p>be included in the minutes of the meeting.</p> <p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>a. the names of the Directors present at the meetings, and</p> <p>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>a) is or could reasonably be regarded, as defamatory of any person</p> <p>b) is irrelevant or immaterial to the proceedings; or</p> <p>c) in detrimental to the interests of the Company.</p> <p>The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
91.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
92.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.	Publication of reports of proceeding of general meetings
93.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Proxy
94.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	
95.	<p>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:</p> <p>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its</p>	

	office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
96.	The Directors need not hold any “Qualification Share(s)”.	
97.	<p>Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He shall be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p>	
98.	<p>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—</p> <p>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p> <p>b. in connection with the business of the Company</p>	
99.	The Board may pay all expenses incurred in getting up and registering the company.	
100.	The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.	
101.	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.	
102.	Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.	
103.	<p>i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p>	
104.	Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.	Retirement and Rotation of Directors
105.	The remaining Directors shall be appointed in accordance with the provisions of the Act.	
106.	At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.	
107.	Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.	
108.	Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.	
109.	Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.	
110.	Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as “the Corporation”) continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person	

	or persons as a Director or Directors wholetime or non-whole time (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.	Nominee Director
111.	The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.	
112.	The Nominee Directors so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.	
113.	The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the	
	Corporation or as the case may be to such Nominee Directors. Provided that if any such Nominee Directors is an Officer of the Corporation/IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.	
114.	Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.	
115.	The Company may (subject to the provisions of Act and other	

	applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.	Removal of Directors
116.	Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.	
117.	On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.	
118.	<p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <p>a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</p> <p>b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</p> <p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p>	
119.	A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.	
120.	A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.	
121.	<p>If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act:</p> <p>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.</p>	
122.	Nothing in this section shall be taken-	

	<p>a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or</p> <p>b) as derogating from any power to remove a director under other provisions of this Act.</p>	
123.	<p>Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>a) In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>b) In connection with the business of the Company.</p>	<p>Remuneration and sitting fees to Directors including Managing and whole time Directors</p>
124.	<p>Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs. 1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.</p>	
125.	<p>i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a) The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b) The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c) Power to issue securities, including debenture, whether in or outside India</p> <p>d) The power to borrow moneys</p>	<p>Powers and duties of Directors:</p> <p>Certain powers to be exercised by the Board only at meeting.</p>

	<p>e) The power to invest the funds of the Company,</p> <p>f) Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g) Power to approve financial statements and the Board's Report</p> <p>h) Power to diversify the business of the Company</p> <p>i) Power to approve amalgamation, merger or reconstruction</p> <p>j) Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k) Powers to make political contributions;</p> <p>l) Powers to appoint or remove key managerial personnel(KMP);</p> <p>m) Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n) Powers to appoint internal auditors and secretarial auditor;</p> <p>o) Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p) Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</p> <p>q) Powers to invite or accept or renew public deposits and related matters;</p> <p>r) Powers to review or change the terms and conditions of public deposit;</p> <p>s) Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.</p> <p>Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p> <p>iii. Every resolution delegating the power referred to in sub-clause (e) of clause</p>	
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	<p>shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>iv. Every resolution delegating the power referred to in sub-clause (f) of clause shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
126.	<p>i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting:</p> <p>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;</p> <p>b) remit, or give time for the repayment of any debt, due by a Director;</p> <p>c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;</p> <p>d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid- up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or</p> <p>e) contribute to bona fide charitable and other funds, aggregate of which ill in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings.</p> <p>ii. Nothing contained in sub-clause (a) above shall affect:</p> <p>a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or</p> <p>b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.</p> <p>iii. Any resolution passed by the Company permitting any transaction such as</p>	<p>Restriction on powers of Board</p>

	<p>is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p>	
127.	Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.	
128.	Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.	General powers of the Company vested in Directors
129.	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <p>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</p> <p>ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, here diamantes, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</p> <p>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without</p>	Specific powers given to Directors

	<p>buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</p> <p>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</p> <p>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</p> <p>vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;</p> <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services</p>	
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	<p>rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p> <p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at</p>	
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	<p>any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At anytime and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;</p>	
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130.	<p>a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.</p> <p>c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.</p>	<p>MANAGING DIRECTOR S</p> <p>Power to appoint Managing or Whole-time Directors</p>
131.	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>	<p>Proceedings of the Board</p>
132.	The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.	
133.	<p>a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>	
134.	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.	
135.	The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	
136.	<p>a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is</p>	

	not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	
137.	<p>a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.</p> <p>b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p>	Delegation of Powers of Board to Committee
138.	<p>a) A committee may elect a Chairperson of its meetings.</p> <p>b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</p>	
139.	<p>a) A committee may meet and adjourn as it thinks fit.</p> <p>b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</p>	
140.	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.	
141.	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	
142.	<p>Subject to the provisions of the Act,—</p> <p>a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p>	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer
143.	A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, manager, Company Secretary or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager,	

	company secretary or chief Financial Officer.	
144.	<p>a) The Board shall provide for the safe custody of the seal.</p> <p>b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>	The Seal
145.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.	Dividends and Reserve
146.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.	
147.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for 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, thinks fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	
148.	<p>a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	
149.	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.	
150.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the	

	<p>register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	
151.	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.	
152.	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.	
153.	<p>No dividend shall bear interest against the Company.</p> <p>Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;</p>	
154.	<p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.</p> <p>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.</p>	
155.	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.	
156.	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	
157.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.</p>	Accounts
158.	<p>Minutes Books of General Meetings</p> <p>a) The books containing the minutes of the proceedings of any general meeting of the Company shall;</p>	

	<p>i. be kept at the registered office of the Company, and</p> <p>ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</p> <p>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness at least 15 days in advance.</p> <p>b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p>	Inspection of Statutory Documents of the Company
159.	<p>a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—</p> <p>i. by any member or creditor without any payment of fees; or</p> <p>ii. by any other person on payment of such fees as may be prescribed,</p> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	Register of charges
160.	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made thereunder. The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>c) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General</p>	Audit

	Meeting.	
161.	<p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.</p>	Winding up
162.	Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—	Indemnity
163.	<p>a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</p> <p>b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.</p>	Secrecy

SECTION X- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 68/A Netaji Subhas Road, Budge Budge, 24 Parganas (South), West Bengal-743319 from the date of filing 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 January 15, 2019 between our company and the Lead Manager.
2. Agreement dated [●] between our company and the Registrar to the Issue.
3. Public Issue Agreement dated [●] among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [●] between our company and the Lead Manager.
5. Market making Agreement dated [●] between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated October 16, 2018.
7. Agreement among CDSL, our company and the registrar to the issue dated October 27, 2018.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated December 13, 2018 in relation to the Issue and other related matters.
3. Shareholders' resolution dated December 15, 2018 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Principle Bankers to our Company, the Lead Manager, The Underwriter, Registrar to the Issue, Peer review Auditor, Legal Advisor, to act in their respective capacities.
5. Peer Review Auditors Report dated December 18, 2018 on Restated Financial Statements of our Company for the period ended September 30, 2018 and for the years ended March 31, 2018, 2017 and 2016
6. The Report dated December 18, 2018 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.
7. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on EMERGE Platform of NSE.
8. Due diligence certificate submitted to NSE SME dated January 29, 2019 from Lead Manager to the Issue.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XI - DECLARATION

We , hereby declares that ,all the relevant provisions of the Companies Act 1956,Companies Act 2013 and the guidelines /regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act 1992, as the case may be , have been complied with no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, 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 statements made in this Prospectus are true and correct

Signed by the Directors of our Company

Name	DIN	Category	Designation	Signature
Mr. Mihir Kumar Roy	00334729	Executive	Managing Director	
Mrs. Sulekha Roy	00334885	Executive	Whole Time Director	
Ms. Pritha Roy	06396602	Executive	Whole Time Director	
Mr. Dhananjay Kumar	03499130	Non Executive	Independent Director	
Mr. Suresh Chandra Singh	08225440	Non Executive	Independent Director	
Mr. Pradosh Kiran Majumder	08340229	Non Executive	Independent Director	

Signed By The Chief Financial Officer of Our Company

Signed By The Company Secretary & Compliance Officer of Our Company

Mr. Dipak Das
Chief Financial Officer

Mr. Shakeel Ahmed
Company Secretary

Date: January 29, 2019

Place: Kolkata

ANEXURE A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY CORPORATE CAPITAL VENTURES PRIVATE LIMITED:

TABLE 1

Sr. No.	Issue Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30 th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90 th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180 th Calendar Days from Listing
1.	Shish Industries Limited	4.06	30.00	05-09-2017	32.00	-11.99%	-15.33%	-17.15%
						-2.70%	20.71%	27.89%
2.	Ratnabhumi Developers Limited	23.31	63.00	14-12-2017	63.45	-34.70%	-48.07%	-33.75%
						10.06%	0.01%	0.19%
3.	Touchwood Entertainment Limited	4.21	40.00	21-12-2017	43.50	50.94%	-24.06%	17.81%
						6.31%	-6.00%	-2.33%
4.	SMVD Poly Pack Limited	9.02	55.00	26-12-2017	58.00	-20.43%	-44.31%	-57.09%
						3.21%	-10.14%	-5.63%
5.	Narmada Agrobases Limited	7.49	32.00	19-04-2018	31.45	-4.32%	-13.12%	-24.38
						-0.57%	-2.94%	-14.46
6.	Rudrabhishek Enterprises Limited	18.73	41.00	13-07-2018	41.25	-1.68%	-1.56%	14.15
						-1.43%	-13.32%	-10.66
7.	Rajnandini Metal Limited	4.27	26	08-10-2018	35.00	-24.81%	-23.61	N.A.
						3.71	2.97	N.A.

SUMMARY STATEMENT OF DISCLOSURE

TABLE 2

Financial Year	Total No. of IPOs	Total Funds Raised (Rs. in Cr.)	Nos. of IPO trading at discount as on 30 th calendar day from listing date			Nos. of IPO trading at premium as on 30 th calendar day from listing date			Nos. of IPO trading at discount as on 180 th calendar day from listing date			Nos. of IPO trading at premium as on 180 th 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%
1 st April, 2018 to till date	3	30.49	Nil	Nil	3	Nil	Nil	Nil	Nil	Nil	3	Nil	Nil	Nil
2017-18	4	40.60	Nil	1	2	1	Nil	Nil	1	1	1	Nil	Nil	1
2016-17	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.