



CAPRICORN FOOD PRODUCTS INDIA LIMITED

Our Company was incorporated as “Capricorn Food Products India Limited” on October 8, 1998, as a public limited company under the Companies Act 1956, at Chennai, Tamil Nadu with a certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai (the “RoC”). For details regarding changes to the registered office of our Company, see “*History and Certain Corporate Matters*” on page 171.

Corporate Identity Number: U15499TN1998PLC041231

Registered and Corporate Office: Old No.AH-216, New No.AH-11 2nd Street, Shanthi Colony, Anna Nagar, Chennai 600 040, Tamil Nadu, India

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OUR PROMOTER: RAHOUL JAIN

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE “EQUITY SHARES”) OF CAPRICORN FOOD PRODUCTS INDIA LIMITED, (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE “OFFER PRICE”) AGGREGATING UP TO ₹ [●] MILLION (THE “OFFER”). THE OFFER COMPRISES A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,710 MILLION BY OUR COMPANY (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 7,643,000 EQUITY SHARES CONSISTING OF UP TO 720,825 EQUITY SHARES BY RAHOUL JAIN (THE “PROMOTER SELLING SHAREHOLDER”), UP TO 4,482,000 EQUITY SHARES BY MILESTONE 1 AND UP TO 277,700 EQUITY SHARES BY MILESTONE TRUST (THE “INVESTOR SELLING SHAREHOLDERS”) AND UP TO 2,162,475 EQUITY SHARES BY SHUCHI JAIN (THE “OTHER SELLING SHAREHOLDER”) (THE PROMOTER SELLING SHAREHOLDER, INVESTOR SELLING SHAREHOLDERS AND OTHER SELLING SHAREHOLDER COLLECTIVELY, THE “SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] MILLION (THE “OFFER FOR SALE”). THE OFFER SHALL CONSTITUTE [●]% OF THE FULLY DILUTED POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (THE “BRLMs”) AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED TAMIL DAILY NEWSPAPER, TAMIL BEING THE REGIONAL LANGUAGE OF TAMIL NADU WHERE OUR REGISTERED AND CORPORATE OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED (THE “BSE”) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (THE “NSE”, AND TOGETHER WITH THE BSE, THE “STOCK EXCHANGES”) FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

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

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”), through the Book Building Process and in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI ICDR Regulations”), wherein 50% of the Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the “Anchor Investor Portion”), of which one-third is to be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Offer Price. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Investors other than Anchor Investors shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount (“ASBA”) process, and shall provide details of their respective bank account in which the Bid amount will be blocked by the Self Certified Syndicate Banks (“SCSBs”), to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see “*Offer Procedure*” beginning on page 348.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Offer Price (as determined and justified by our Company in consultation with the BRLMs, in accordance with SEBI ICDR Regulations, and as stated in “*Basis for Offer Price*” on page 106) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 17.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder accepts responsibility only for and confirms that the information relating to itself and the Equity Shares being offered by it in the Offer for Sale contained in this Draft Red Herring Prospectus are true and correct in all material aspects and are not misleading in any material respect. Each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to our Company or the other Selling Shareholders in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. We have received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see “*Material Contracts and Documents for Inspection*” on page 439.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER

IIFL Holdings Limited 10 th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India Tel: (+91 22) 4646 4600 Fax: (+91 22) 2493 1073 E-mail: capricorn.ipo@iiflcap.com Investor grievance E-mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Pinkesh Soni/Anant Gupta SEBI Registration No.: INM000010940	ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: capricorn.ipo@icicisecurities.com Investor grievance E-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Prem D'Cunha/ Payal Kulkarni SEBI Registration No.: INM000011179	IDFC Bank Limited Naman Chambers, C-32 G Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India Tel: +91 22 7132 5500 Fax: +91 22 6622 2501 E-mail: capricorn.ipo@idfcbank.com Investor grievance E-mail: mb.ig@idfcbank.com Website: www.idfcbank.com Contact Person: Gaurav Goyal SEBI Registration No.: MB/INM000012250	Link Intime India Private Limited C 101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India Telephone: +91 22 4918 6200 Facsimile: +91 22 4918 6195 E-mail: capricorn.ipo@linkintime.co.in Investor grievance E-mail: capricorn.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

BID/OFFER PERIOD*

BID/OFFER OPENS ON*

[●]

BID/OFFER CLOSES ON **

[●]

* Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

** Our Company, in consultation with the BRLMs, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.

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SECTION I - GENERAL DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Red Herring Prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

Unless the context otherwise indicates, all references to “the Company”, “our Company” or “the Issuer” are references to Capricorn Food Products India Limited, a company incorporated in India under the Companies Act 1956 with its Registered and Corporate Office situated at Old No.AH-216, New No.AH-11 2nd Street, Shanthi Colony, Anna Nagar, Chennai 600 040, Tamil Nadu, India and references to “we”, “us” and “our” are references to our Company, together with its Subsidiaries (as defined below).

Company Related Terms

Term	Description
“Capricorn” or “our Company” or “the Company” or “the Issuer”	Capricorn Food Products India Limited, a public limited company incorporated under the Companies Act 1956 with its Registered and Corporate Office at Old No.AH-216, New No.AH-11 2 nd Street, Shanthi Colony, Anna Nagar, Chennai 600 040, Tamil Nadu, India
“we”, “us, or “our”	Unless the context otherwise indicates or implies, refers to Capricorn together with its Subsidiaries
AoA/Articles of Association or Articles	The articles of association of our Company
Audit Committee	The audit committee of our Company, as disclosed in “ Management ” on page 176
Auditors/ Statutory Auditors	The statutory auditor of our Company, being R. Subramanian and Company LLP
Board/ Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Chairman	The chairman of our Company, namely Rahoul Jain
Chief Financial Officer	S. Ramesh Narayanan
Compliance Officer	Mythili Girish, the company secretary of our Company
CSR Committee	The corporate social responsibility committee our Company, as disclosed in “ Management ” on page 176
Director(s)	The director(s) on our Board
Executive Director	An executive Director
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Equity Shareholders / Shareholders	The holders of the Equity Shares
Fresco	Fresco Juices Private Limited
Gonglu	Gonglu Agro Private Limited
Group Company	The group companies of our Company, as described in “ Our Promoter and Group Company ” on page 192, and identified based on the policy adopted by our Board pursuant to which a group company is any company which is covered under the Accounting Standard 18 issued by the Institute of Chartered Accountants of India (“ AS 18 ”) as per the restated consolidated financial information as of and for the fiscals ended March 31, 2014, 2015, 2016, 2017 and the six months ended September 30 2017, and any other company as considered material by our Board
ISec	ICICI Securities Limited
IDFC	IDFC Bank Limited
IIFL	IIFL Holdings Limited
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the SEBI Listing Regulations
Investor Selling Shareholders	Milestone I and Milestone Trust
IPO Committee	The IPO Committee of our Company, as disclosed in “ Management ” on page 176
KMP/ Key Managerial Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as identified in “ Our Management ” on page 176
Krishnagiri Unit	Factory unit located at SF No. 647/A2/, 648/A etc., Bannihalli village, Kaveripattinam to Palacode Road, Krishnagiri Taluk, Krishnagiri District, 635 106, Tamil Nadu, India
Materiality Policy	The policy adopted by our Board on November 18, 2017 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations
Milestone I	Milestone Private Equity Fund (Scheme: India Build Out Fund I)

Milestone SHA	Subscription, Share Purchase and Shareholders Agreement dated March 18, 2013 entered into among our Company, Rahoul Jain, Shuchi Jain, Milestone I and Milestone Trust
Milestone Trust	Milestone Army Trust
MoA/Memorandum of Association	The memorandum of association of our Company
Nashik Unit	Factory unit located at Gat No. 207, 211, 213, Village Jaitapur, Tal. Chandwad District, Nashik
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, as disclosed in “ Management ” on page 176
Other Selling Shareholder	Shuchi Jain
Promoter	The promoter of our Company, namely Rahoul Jain
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI ICDR Regulations
Promoter Selling Shareholder	Rahoul Jain
Registered and Corporate Office	The registered and corporate office of our Company, situated at “Old No.AH-216, New No.AH-11 2 nd Street, Shanthi Colony, Anna Nagar, Chennai 600 040, Tamil Nadu, India”
Registrar of Companies/RoC	Registrar of Companies, Tamil Nadu at Chennai. For further details, see “ General Information ” on page 75
Restated Consolidated Financial Information	Restated consolidated statement of assets and liabilities as at March 31, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 and restated consolidated statement of profit and loss and restated consolidated statement of cash flows for each of the fiscals ended March 31, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 of our Company, as applicable during the relevant periods, read along with all the schedules and notes thereto and included in “ Financial Statements ” on page 198
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and Restated Standalone Financial Information
Restated Standalone Financial Information	Restated standalone statement of assets and liabilities as at March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 and restated standalone statement of profit and loss and restated standalone statement of cash flows for each of fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 of our Company read along with all the schedules and notes thereto and included in “ Financial Statements ” on page 198
Sathyavedu Unit I	Factory unit manufacturing fruit and vegetable pulp, located at Sathyavedu, Chittoor District, Andhra Pradesh
Sathyavedu Unit II	Factory unit manufacturing IQF, located at Sathyavedu, Chittoor District, Andhra Pradesh
Selling Shareholders	Promoter Selling Shareholder, Investor Selling Shareholders and Other Selling Shareholder
SBL	Shuchi Beverages Limited
Stakeholders Relationship Committee	The stakeholders relationship committee of our Company, as disclosed in “ Management ” on page 176
Subsidiaries	Gonglu and Fresco. For details of our Subsidiaries, see “ History and Certain Corporate Matters ” on page 171

Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotted/Allotment/Allot	The issue, allotment and transfer of the Equity Shares to successful Bidders pursuant to the Offer
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Anchor Investor	A QIB, who applies under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and who has Bid for an amount of atleast ₹ 100 million
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company, in consultation with the BRLMs
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed

Term	Description
Anchor Investor Bid/Offer Period	The day, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors, on a discretionary basis, in accordance with SEBI ICDR Regulations. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Bidder	All Bidders other than Anchor Investors
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which will be blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor)
ASBA Form	An application form, whether physical or electronic, used by Bidders bidding through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer / Escrow Collection Bank(s)	The bank(s) which is/are clearing members and are registered with the SEBI as an escrow bank, with whom the Anchor Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●]
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in “ Offer Procedure ” on page 348
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form
Bid Amount	The highest value of the optional Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The form in terms of which the Bidder shall make a Bid, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bid/Offer Closing Date	Except in relation to Anchor Investors, the date after which the Designated Intermediaries shall not accept any Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Tamil regional daily newspaper, Tamil being the regional language in the place where our Registered and Corporate Office is located) and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations. Our Company, in consultation with the BRLMs, may decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, subject to the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer, which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Tamil regional daily newspaper, Tamil being the regional language in the place where our Registered and Corporate Office is located) and in case of any revisions, the extended Bid/Offer Closing Date shall also be notified on the websites and terminals of the Syndicate Members, as required under the SEBI ICDR Regulations.
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding

Term	Description
	Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Book Building Process	The book building process as described in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/BRLMs	IIFL Holdings Limited, ICICI Securities Limited and IDFC Bank Limited, the book running lead managers to the Offer
Broker Centres	Broker centres of the Registered Brokers, where Bidders (other than Anchor Investors) can submit the Bid cum Application Forms. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
Client ID	Client identification number of the Bidder's beneficiary account
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered under Section 12 (1A) of the SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and a list of such locations is available on the website of the BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm , respectively
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	The Offer Price, finalized by our Company, in consultation with the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidders' address, names of the Bidders' father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Form used by Bidders (other than Anchor Investors), a list of which is available at the website of the SEBI and updated from time to time
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Anchor Escrow Account are transferred to the Public Offer Account or the Refund Account(s), as appropriate, and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, to the Public Offer Account or Refund Account, as applicable, in terms of the Red Herring Prospectus, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer and the Selling Shareholders give delivery instructions for the transfer of their respective portions of the Equity Shares under the Offer for Sale
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorized to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Offer
Designated RTA Locations	Such centres of the CRTAs where Bidders (except Anchor Investors) can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the CRTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[•]
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated February 6, 2018, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto

Term	Description
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares
Escrow Account	Account opened with Escrow Collection Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by and among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank and Refund Bank for collection of the Bid Amounts and where applicable remitting refunds, if any, to the Anchor Investors, on the terms and conditions thereof
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bidders, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, and any revisions thereof, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Fresh Issue	Fresh issue of [●] Equity Shares aggregating up to ₹ 1,710 million to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and Prospectus.
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI and included in “ <i>Offer Procedure</i> ” on page 348
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
Monitoring Agency	[●]
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Proceeds	Proceeds of the Offer that will be available to our Company, i.e., gross proceeds of the Fresh Issue, less Offer Expenses to the extent applicable to the Fresh Issue
Net QIB Category	The portion of the QIB Category less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Category	The portion of the Offer, being not less than 15% of the Offer or [●] Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price
Non-Institutional Investors/NIIs	All Bidders, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer	Initial public offering of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale
Offer Agreement	The agreement dated February 5, 2018, entered into by and among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	Offer of up to 7,643,000 Equity Shares aggregating to ₹ [●] million to be offered for sale/transfer by the Selling Shareholders pursuant to the Offer in terms of the Red Herring Prospectus and the Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company, in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date.
Pre-Offer Advertisement	The pre-Offer advertisement to be published by our Company under Regulation 47 of the SEBI ICDR Regulations and Section 30 of the Companies Act, 2013 after registration of the Red Herring Prospectus with the RoC, in all editions of [●], the English national newspaper, in all editions of [●], the Hindi national newspaper, and [●] edition of [●], (a Tamil newspaper, Tamil being the regional language of Tamil Nadu wherein the registered office of the Company is situated)
Price Band	Price band of the Floor Price of ₹ [●] and a Cap Price of ₹ [●], including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated Tamil regional daily newspaper, Tamil being the regional language of the place where our Registered and Corporate Office is located) at least five Working Days prior to the Bid/Offer Opening Date, with the relevant

Term	Description
	financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchanges for the purpose of uploading on their websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, shall finalize the Offer Price
Prospectus	The Prospectus to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Section 26 of the Companies Act 2013 and the SEBI ICDR Regulations, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The account(s) to be opened with the Banker(s) to the Offer under Section 40(3) of the Companies Act 2013 to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The bank(s) with which the Public Offer Account(s) shall be maintained, in this case being [●]
QIB Category	The portion of the Offer, being 50% of the Offer or [●] Equity Shares to be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares shall be Allotted and which shall be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus after filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	Account(s) opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) have will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar Agreement	The agreement dated February 5, 2018, entered into by and among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Link Intime India Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Category	The portion of the Offer, being not less than 35% of the Offer or [●] Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Category
Retail Individual Investors/ RIIs	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Offer is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB category and Non-Institutional Investors bidding in the Non-Institutional category are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage
Self Certified Syndicate Banks or SCSBs	The banks registered with the SEBI which offer the facility of ASBA and the list of which is available on the website of the SEBI and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Share Escrow Agent	The escrow agent appointed pursuant to the Share Escrow Agreement, namely [●].
Share Escrow Agreement	The agreement to be entered into between the Selling Shareholders, our Company and a Share Escrow Agent in connection with the transfer of the respective portion of Offered Shares by each Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	The BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	The agreement to be entered into amongst the members of the Syndicate, our Company, the Selling Shareholders, BRLMs and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being [●]
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms

Term	Description
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Underwriters	●
Underwriting Agreement	The agreement to be entered into by and among our Company, the Selling Shareholders and the Underwriters, to be entered into on or after the Pricing Date
Wilful Defaulter(s)	Wilful defaulter(s) as defined under Regulation 2(zn) of SEBI ICDR Regulations
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Conventional and General Terms and Abbreviations

Term	Description
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
APPCB	Andhra Pradesh Pollution Control Board
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
AS 18	Accounting Standard 18 issued by the Institute of Chartered Accountants of India
Bn	Billion
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016,
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate, being the annualised average year-over-year growth rate over a specified period of time calculated as per the following formula – $\left(\frac{\text{End Value}}{\text{Beginning Value}} \right)^{\frac{1}{\text{number of years}}} - 1$
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer of our Company
CIN	Corporate Identity Number
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
CMD	Chairman and Managing Director
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant’s identity number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extra-ordinary General Meeting
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees’ State Insurance Act, 1948
Euro	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
Factories Act	Factories Act, 1948

Term	Description
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FII(s)	Foreign Institutional Investors as defined under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 2000, registered with the SEBI under applicable laws in India and deemed as FPIs under the SEBI FPI Regulations
Financial Year/fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person registered under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
IND (AS) / IND AS / Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
IT	Information Technology
Legal Metrology Act	Legal Metrology Act, 2009
MCA	The Ministry of Corporate Affairs, GoI
Mn	Million
MPCB	Maharashtra Pollution Control Board
MT	Metric Tonnes
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NEFT	National Electronic Fund Transfer
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRE Account	Non Resident External Account
NRI	Non-Resident Indian
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act, 1933
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996

Term	Description
SEBI Merchant Bankers Regulations	SEBI (Merchant Bankers) Regulations, 1992
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax Deduction and Collection Account Number
TDS	Tax Deduction at Source
TNPCCB	Tamil Nadu Pollution Control Board
Trademarks Act	Trademarks Act, 1999
UNCITRAL	United Nations Commission on International Trade Law
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act, 1933
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
Wages Act	The Payment of Wages Act, 1936
Year/ Calendar Year	The 12 month period ending December 31

Industry Related Terms

Term	Description
APEDA	Agricultural and Processed Food Products Export Development Authority
Aseptic	Sterile or free from contamination
Brix	Relative density scale used in sugar and winemaking industry, it indicates the percent of cane sugar (sucrose) by weight (grams per 100 milliliter of water) in a solution or juice of unfermented grapes in degrees Brix
CAD	Current Account Deficit
CCEA	Cabinet Committee on Economic Affairs
CCP	Critical Control Point
CSFP	Certification Scheme of Fruit Products
Frost & Sullivan	Frost and Sullivan (India) Private Limited
Frost & Sullivan Report	Report titled 'Market Opportunity Analysis for Fruit and Vegetable based ingredients in India' dated November 20, 2017, by Frost and Sullivan (India) Private Limited
GAP	Good Agricultural Practices
GRN	Goods Receipt Note
Installed Capacity Certificate	Certificate containing the computation of the installed capacities of our production facilities.
IQF	Individually Quick Frozen
Minimum Wages Act	The Minimum Wages Act, 1948
MSA	Master Sales Agreement
NABARD	National Bank for Agriculture and Rural Development
NFC	Not From Concentrate
Retort	Metaled bag designed for high heat pressure canning of all types of foods
RTE	Ready to Eat
SMEs	Small and Medium Enterprises
Storage Capacity Certificate	Certificate containing the computation of the storage capacities of our production facilities.
SMETA	Sedex Members Ethical Trade Audit
UHDP	Ultra High Density Plantation

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act 1956, as superseded and substituted by notified provisions of the Companies Act 2013 (together, the “**Companies Act**”), the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”), the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

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

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

Certain Conventions

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless indicated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Standalone Financial Information as of and for the fiscals ended March 31, 2013, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017 and our Restated Consolidated Financial Information as of and for the fiscals ended March 31, 2014, 2015, 2016, 2017 and the six months ended September 30, 2017, and the respective notes, schedules and annexures thereto, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations and included elsewhere in this Draft Red Herring Prospectus.

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

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

On February 16, 2015, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Rules, 2015 (“IAS Rules”) for the purpose of enacting changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial information of the companies to which they apply shall be prepared and audited in accordance with the Indian Accounting Standard (“IND (AS)”), although certain class of companies may voluntarily implement IND (AS) for the accounting period beginning from April 1, 2015.

We have not made any attempt to quantify or identify the impact of the differences between Indian GAAP and IND (AS) as applied to our financial information and it is urged that you consult your own advisors regarding the impact of difference, if any, on financial data included in this Draft Red Herring Prospectus. However, we have included certain principal differences between Indian GAAP and IND (AS) for the details of which, see “**Summary of Significant Differences Between Indian GAAP and IND (AS)**” on page 294. Potential investors should consult their own advisers for an understanding of the principal differences between the existing Indian GAAP and the IND (AS), and how these differences might affect the financial statements appearing in this document. See “**Risk Factors – Significant differences exist between Indian GAAP and IND (AS), on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors’ assessments of our financial condition.**” on page 44.

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

Industry and Market Data

We have commissioned a report titled “Market Opportunity Analysis for Fruit and Vegetable based Ingredients in India” dated November 20, 2017, prepared by Frost & Sullivan, for the purpose of confirming our understanding of the industry in connection with the Offer. Further, in this regard, Frost & Sullivan has issued the following disclaimer:

“The market research process for this study has been undertaken thorough secondary / desktop research as well as Primary research, which involves discussing the status of the market with leading participants and experts. The Research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews by way of primary research as well as from trusted portals, and therefore, the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan’s estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. This study has been prepared for inclusion in the Prospectus and Offering Memorandum of Capricorn Food Products India Limited in relation to an initial public offering in connection with its listing on one of the leading global stock exchanges.

This report and extracts thereof are for use in the Prospectus and Offering Memorandum issued by the Company and all presentation materials (including press releases) prepared by or on behalf of the Company (and reviewed by Frost & Sullivan) in relation to the Listing exercise.

The company is permitted to use the same in internal and external communications as needed in the context of the Listing exercise. However, no part of the report may be distributed for any other commercial gain to parties not connected with the said Listing exercise.

This report has exclusively been prepared for the consumption of Capricorn Food Products India Limited, in terms of our consent letter dated December 11, 2017, and any unauthorized access to or usage of this material by others is forbidden and illegal.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. Our research has been conducted with an “overall industry” perspective, and it will not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be liable for any loss suffered because of reliance on the information contained in this study. This study should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise.

This Frost & Sullivan (India) Private Limited report is prepared for our client’s internal use, submission, and sharing with the relevant parties as well as for inclusion in the IPO prospectus.”

Aside from the above, unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been derived from certain industry sources. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, the Selling Shareholders, the BRLMs, or any of our or their respective affiliates or advisors, and none of these parties makes any representation as to the accuracy of this information. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon 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 market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various

factors, including those discussed in “**Risk Factors**” on page 17.

Currency and Units of Presentation

All references to “**Rupees**” or “**₹**” or “**Rs.**” or “**INR**” are to Indian Rupees, the official currency of the Republic of India. All references to “**US\$**”, “**U.S. Dollar**”, “**USD**” or “**U.S. Dollars**” are to United States Dollars, the official currency of the United States of America. All reference to “**Euro**” or “**€**” is to Euro, the official currency of the European Union.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in million. One million represents ‘10 lakhs’ or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of U.S. Dollars and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations. These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of certain currencies used in this Draft Red Herring Prospectus into Indian Rupees are provided below.

Currency	Exchange rate as on March 28, 2013***	Exchange rate as on March 28, 2014**	Exchange rate as on March 31, 2015	Exchange rate as on March 31, 2016	Exchange rate as on March 31, 2017	Exchange rate as on December 29, 2017*
1 USD	54.39	60.1	62.59	66.33	64.84	63.93
1 Euro	69.54	82.58	67.51	75.1	69.25	76.39

Source: RBI Reference Rate (for USD and Euro)

* Exchange rate as on December 29, 2017, as RBI Reference Rate is not available for December 31, 2017 and December 30, 2017 being a Sunday and a Saturday, respectively.

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

*** Exchange rate as on March 28, 2013, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a Sunday, a Saturday and a public holiday respectively.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements include statements which can generally be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*propose*”, “*will continue*”, “*seek to*”, “*will pursue*” or other words or phrases of similar import.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that would cause actual results to differ materially include, including, but not limited to the following:

- Our revenues have been significantly dependent on mango pulp and concentrates, which accounted for 74.47 %, 67.94 %, 68.78 % and 68.10 % of our revenue from product sales for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Any factors adversely affecting the procurement of mango or our sales of mango-based products may negatively impact our business, financial condition, results of operations and prospects.
- Our business operations are dependent on supply of fruits and vegetables, and an inability to procure adequate amounts of quality fruits and vegetables at competitive prices could adversely affect our results of operations.
- Adverse weather conditions, disease, or pests can reduce the general availability of our raw material, which may affect our operations and growth plans.
- The supply of some of the fruits and vegetables as our raw material is subject to seasonal factors, and does not necessarily match the seasonal change in demand for our products, and the end uses for such products, which may have an adverse effect on our business, financial condition, results of operations and prospects.
- We face competition in our business, including from competitors that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our market position, business, financial condition, results of operations and prospects.
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.
- We rely on third-party transportation providers for both procurement of our raw material and distribution of our products and failure by any of our transportation providers to deliver our raw material and / or our products on time, or in good condition, or at all could adversely affect our results of operations and cash flows.
- We derived 44.77%, and 41.65 % of our revenue from product sales from our top 10 customers in fiscal 2017 and the six months ended September 30, 2017, respectively, and the loss of the revenue from such customers would harm our business, financial condition, results of operations and prospects.
- A significant portion of our revenues are dependent on our exports to our international customers. Any failure to fulfil the requirements of our international customers may adversely affect our revenues, result of operations and cash flows.
- We have significant working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business, financial condition, results of operations, and prospects.

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 17, 147 and 267, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as the statement based on them could prove to be inaccurate.

Neither our Company, nor the Directors, nor the Selling Shareholders, nor the Syndicate, nor the BRLMs, nor any of their respective affiliates or associates 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 will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with SEBI requirements and as prescribed under applicable law, the Selling Shareholders severally and not jointly will ensure that investors are informed of material developments in relation to statements and undertakings made by the respective Selling Shareholders from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company may be required to annually update of the disclosures made in the Red Herring Prospectus and make such disclosures publicly available in the manner, as maybe, specified by SEBI.

SECTION II - RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. The risks described below are not the only ones relevant to us or the Equity Shares, but also the industry in which we operate or to India and other jurisdictions we may operate in. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, financial condition, results of operations and prospects. To obtain a complete understanding of our Company, Bidders should read this section in conjunction with the sections “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 147 and 267, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, financial condition, results of operations and prospects could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Offer. In making an investment decision, Bidders must rely on their own examination of our Company and the terms of the Offer including the merits and risks involved. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer.*

This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.

*Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Consolidated Financial Information included in the section “**Financial Statements**” on page 198.*

*The industry data in this section has been extracted from the report dated November 20, 2017, titled ‘Market Opportunity Analysis for Fruit and Vegetable based Ingredients in India’, prepared by Frost & Sullivan (the “**Frost & Sullivan Report**”). Neither we, nor the Selling Shareholders, the BRLMs, nor any other person connected with the Offer has independently verified this information.*

Internal Risk Factors

1. ***Our revenues have been significantly dependent on mango pulp and concentrates, which accounted for 74.47 %, 67.94 %, 68.78 % and 68.10 % of our revenue from product sales for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. Any factors adversely affecting the procurement of mango or our sales of mango-based products may negatively impact our business, financial condition, results of operations and prospects.***

Mango pulp and concentrates accounted for 74.47 %, 67.94 %, 68.78 % and 68.10 % of our revenue from product sales in fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. In addition to mango pulp and concentrates, our production of our IQF fruits and vegetables is currently primarily composed of IQF mango products. Therefore, notwithstanding increasing diversification of our operations, we currently depend significantly on our procurement of mango as a raw product, and on our revenues from mango-based products.

The availability of mango, being a seasonal fruit as well as our key raw material, may be adversely affected due to various reasons, which might affect our production of mango pulp and concentrates. We may experience reduction in cash flows and liquidity if the demand for mango-based products is significantly reduced for any reason, such as a decline in the market demand for mango products or our inability to maintain or grow our competitive position. Any decrease in demand for mango-based products or our inability to effectively expand our product line may negatively impact our business, financial condition, results of operations and prospects.

2. ***Our business operations are dependent on supply of fruits and vegetables, and an inability to procure adequate amounts of quality fruits and vegetables at competitive prices could adversely affect our results of operations.***

In fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our cost of raw materials consumed was ₹ 1,664.76 million, ₹ 1,861.01 million, ₹ 2,408.03 million and ₹ 1,239.91 million, or 46.35%, 45.41%, 55.96% and 54.52% of our revenue from product sales, respectively. Fruits and vegetables are the primary raw material used in the production of our products. Our raw material procurement model involves direct purchase of our fruit and vegetable requirements from farmers, as well as purchase from aggregators, collection centres and mandis. We have not entered into any formal or long-term supply contracts with such farmers, aggregators, collection centres or mandis. There can be no assurance that we will be able to procure all of our future raw material requirements at commercially viable prices, or that we will be able to entirely pass on increases in the procurement price of raw material to our customers.

Farmers currently growing a certain type of crop may shift their efforts towards the production of other crops, resulting in a drop in production of certain of our raw materials, or increase in our procurement costs, or may also require us to source raw materials from other suppliers, which we may be unable to do at competitive prices, or at all. Interruption of, or shortage in, or increase in the cost of supply of raw materials may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in sales and profits. In addition, competition in the food processing industry may result in increase in prices of raw materials, which we may not be able to match, thereby affecting our procurement. An inability to procure sufficient amount of quality raw materials at reasonable cost, or an inability to pass on any increases in the price of our raw materials to our customers could adversely affect our business, financial condition and results of operations. Our ability to maintain and expand our procurement model is also subject to factors such as suppliers continuing to have confidence in us and our ability to pay competitive prices for our raw material supplies.

The volatility in the supply and pricing of our raw materials may also have an adverse effect on our business, financial condition and results of operations. The primary raw materials used by us include fruits and vegetables like mangoes, tomatoes, guava, papaya and banana and packaging material. We procure fruits and vegetables from our suppliers at spot rates. The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation costs, labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use.

We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our sales and profit margins.

Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them on commercially acceptable terms.

3. *Adverse weather conditions, disease, or pests can reduce the general availability of our raw material, which may affect our operations and growth plans.*

Our procurement and production can be impacted by the failure of monsoons in India, excessive or unseasonal rainfall or flooding, droughts, or other natural calamities or adverse weather conditions, affecting cultivation and harvesting of various fruits and vegetables in India. Crops are also vulnerable to crop diseases and pest infestations, which may vary in severity. Any of these risks can impact the availability and cost of our raw materials, which may impact our business, financial condition, results of operations and prospects.

Moreover, although we inspect our raw material, there could be deviation from prescribed quality standards due to factors such as human error. Further, our raw materials and our products are typically required to be stored, handled and transported under certain food safety conditions. In the event our raw materials or our products are not appropriately inspected, processed, stored, handled or transported, the quality of our products may be affected, resulting in deviation from customer specifications.

Our products are used as ingredients in our customers' end-products. If those end-products are contaminated, and if the contaminations are ultimately traced back to or alleged to be from our products, we could be subject to claims and damages. There can be no assurance that we will succeed in avoiding any such incident or allegation, which may adversely affect our business, financial condition, results of operations and prospects.

4. ***The supply of some of the fruits and vegetables as our raw material is subject to seasonal factors, and does not necessarily match the seasonal change in demand for our products, and the end uses for such products, which may have an adverse effect on our business, financial condition, results of operations and prospects.***

Our business operations are primarily dependent on availability of fruits and vegetables used in the production of our products and our ability to procure sufficient amounts of quality raw materials at commercially viable prices. The supply of raw materials is also subject to seasonal factors. The availability of raw materials for our products may be affected due to a variety of reasons, including increase in cost of raw materials, seasonality, adverse weather conditions, natural disasters, could impact our margins, sales and may have an adverse effect on our business, financial condition and results of operations. Extreme cold or hot weather could lead to lower than expected production of our raw materials. Mango, our primary raw material, being the tropical fruit is seasonal and the peak harvesting season, which varies from state to state, is typically around April to June of the year. Our business experiences seasonal variations, with the first quarter and the last quarter of the fiscal year typically recording higher sales, and the third quarter of the fiscal typically recording lower sales. Our first and the last quarters contributed 58.76% and the second and the third quarters contributed 41.24% in fiscal 2017 of our revenue from product sales of mango pulps and concentrates. A hot summer and weak monsoon conditions would typically cause a rise in demand for the end products for which our finished products are used.

Due to these factors, comparisons of sales and operating results between the same periods within a single year, or between different periods in different financial years, are not necessarily meaningful and should not be relied on as indicators of our performance. We routinely attempt to forecast the demand for our products to ensure we purchase the proper amount of raw materials however, if our estimates materially differ from actual demand, we may experience either excess quantities of raw materials which we may not be able to utilize or sell in a timely manner or at all or inadequate quantities of raw materials and consequently lower stock of finished goods to meet market demand.

For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operation - Significant Factors Affecting our Results of Operations - Availability and price of raw materials and seasonality*” on page 270.

5. ***We face competition in our business, including from competitors that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our market position, business, financial condition, results of operations and prospects.***

We operate in a highly competitive industry. The fruit and vegetable processing industry in India is fragmented and we face significant competition, in terms of our market share, from other players. Increased competition from existing players may cause us to lose customers, fail to attract new customers and result in an overall reduction in our market share. In the overseas market, we compete with large players having strong local presence and we may not be able to expand our business in the overseas market.

Some of our competitors may have certain advantages, including greater financial resources, technology, research and development capability, greater market penetration and operations in diversified geographies and product portfolios, which may allow our competitors to better respond to market trends. Our competitors in certain regional markets may also benefit from raw material sources or production facilities that are closer to the markets for the downstream products or may benefit from integrating upstream and downstream production processes, which provides them with competitive advantages in terms of costs and proximity to consumers.

Our competitors may pursue an aggressive pricing policy and offer incentives or credit terms to customers that are more favourable than those that we offer. Increased consolidation among our competitors could allow such competitors to further benefit from economies of scale, offer more comprehensive product portfolios and increase the size of their serviceable markets. This could require us to accept considerable reductions in our profit margins and the loss of market share due to price pressure. Accordingly, we may not be able to compete effectively with our competitors, which may have an adverse impact on our business, results of operations, financial condition and prospects.

6. ***Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.***

We are subject to laws and Government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Food Safety and Standards Act, 2006 along with the relevant rules, Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981 (the “**Air Act**”), the Water (Prevention and Control of Pollution) Act, 1974 (the “**Water Act**”) and other regulations promulgated by the Ministry of Environment and the Pollution Control Boards of the relevant states. These safety, health and environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our production operations. If we fail to meet environmental requirements, we may also be subject to administrative, civil and criminal proceedings by Government entities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders that could limit or halt our operations.

We have, in the past, received notices from the state regulatory authorities supervising pollution control, for non-compliances with certain environmental laws and the terms and conditions of the authorisations granted. Our Company’s Sathyavedu Unit – I and Unit – II received show cause notices, each dated June 13, 2017 from the Zonal Officer, Kurnool, APPCB for discharging trade effluents in open water channels and dumping of solid waste on open ground. Subsequently, our Company’s Sathyavedu Unit – I received a stop production order dated August 4, 2017 (“**Unit 1 Stop Order**”) from the APPCB under provisions of the Water Act and the Air Act for operating without a valid consent to operate and violating various pollution control norms. The APPCB, by a temporary revocation of stop production order dated December 12, 2017, suspended the Unit - I Stop Order and issued a consent to operate (“**CTO**”) dated December 21, 2017, which is valid until May 31, 2018, provided all the conditions in the CTO and the Unit 1 Stop Order are fulfilled. Our Company also received a fresh consent to operate dated December 7, 2017 for its Sathyavedu Unit-II from APPCB valid upto March 31, 2018. Our Company has written to the APPCB, by its letter dated February 1, 2018 stating that our Company has complied with certain conditions stipulated under the consents to operate, such as installation of energy meters, lined platform for drying of seeds, covered shed for storage of seeds, irrigation network, and has undertaken to complete certain activities such as up-gradation and commissioning of an UASB reactor by the end of February 2018.

Our Company’s Krishnagiri Unit received a show cause notice dated October 25, 2017 from the Tamil Nadu Pollution Control Board (“**TNPCB**”) for expanding plant capacity and installing additional machinery without obtaining a revised consent and for discharging solid waste on open land and discharging untreated effluents. Subsequently, our Krishnagiri Unit received a closure notice dated November 22, 2017 (the “**Closure Notice**”) and an order dated November 22, 2017 from the TNPCB (the “**Disconnection Order**”) for power supply to be stopped, under the provisions of the Water Act and the Air Act. Our Company has received a consent to operate dated December 14, 2017 from the TNPCB, for our Krishnagiri Unit, for the production of mango pulp, which is valid until March 31, 2019. Our Company has also received a revocation order dated January 11, 2018 from the TNPCB, revoking the Closure Notice and the Disconnection Order, subject to fulfilment of certain conditions. Our Company’s Krishnagiri Unit has also received fresh consent to operate dated February 1, 2018 under the Air Act and the Water Act for manufacturing of tropical fruit pulp such as mango, guava, papaya and tomato, which is valid upto March 31, 2021.

Our subsidiary Gonglu has received communication by way of letter dated December 18, 2017 (“**MPCB Letter**”), from the MPCB in relation to alleged non-compliance of the consent to operate dated December 5, 2017 and further demanded the furnishing of additional bank guarantees amounting to ₹ 1 million from Gonglu. By way of a letter dated January 8, 2018, Gonglu responded to the MPCB Letter, stating that they have complied with all the conditions in the consent to operate dated November 9, 2017 and requested the MPCB to withdraw their demand for additional bank guarantee. The MPCB, by way of a letter dated January 19, 2018, directed Gonglu to submit a bank guarantee amounting to ₹ 0.5 million and to achieve consented standards and disposal norms within next three months or before resuming production again. Gonglu has accordingly submitted a bank guarantee amounting to ₹ 0.5 million to the MPCB.

There can be no assurance that such non-compliances will not recur and regulatory actions including injunction orders not being passed against us. We may become involved in any such litigation or proceedings relating to safety, health and environmental matters in the future, which could divert management time and attention, and consume financial resources in defence or prosecution of such legal proceedings or cause operational delays or result in a shutdown of our manufacturing facilities. No assurance can be given that we will be successful in all, or any, of such proceedings. Further, the loss or shutdown of our operations over an extended period of time, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition, results of operations and prospects.

For further details in relation to show cause notices and stop production orders received by our Company, see “**Outstanding Litigation and Other Material Developments**” on page 311. For further details of the approvals received by our Company, see “**Government and Other Approvals**” on page 319.

Our consents to operate, permits, licenses and approvals are subject to several conditions, and we cannot assure you that we shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant consents to operate/permits/licenses/approvals. Further, the relevant authorities may also initiate penal action against us, restrain our operations, impose fines / penalties or initiate legal proceedings for inability to obtain approvals in a timely manner or at all. Any such failure or delay in obtaining such consents, approvals, permits and licenses may affect our ability to continue our operations, which may in turn have an adverse effect on our business and results of operations.

Certain material consents, licenses, registrations, permissions and approvals that are required to be obtained by our Company for undertaking its business have elapsed in their normal course and our Company has either made an application to the relevant Central or State government authorities for renewal of such licenses, consents, registrations, permissions and approvals or is in the process of making such applications. The consents, licenses, registrations, permission and approvals for which applications have been made for by our Company and our Subsidiaries include the application dated February 1, 2018 by Gonglu for fire NOC from the Maharashtra Fire Services for the Nashik Unit. Additionally, except for the applications for the fire NOCs for Sathyavedu Unit I and Sathyavedu Unit II, there are no approvals for which applications are yet to be made by our Company or our Subsidiaries.

Any change in or expansion of the scope of the regulations governing our environmental obligations, in particular, would likely involve substantial additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other additional costs to address environmental incidents or external threats. Our inability to control the costs involved in complying with these and other relevant laws and regulations could have an adverse effect on our business, financial condition, results of operations and prospects.

7. *We rely on third-party transportation providers for both procurement of our raw material and distribution of our products and failure by any of our transportation providers to deliver our raw material and / or our products on time, or in good condition, or at all could adversely affect our results of operations and cash flows.*

We depend on various forms of transport, such as roadways and seaways to receive input materials required for our products and to deliver our finished products to our customers. However, we typically use third-party logistic providers for all of our product distribution and input materials procurement. This makes us dependent on various intermediaries such as international, regional and domestic logistics companies, container freight station operators and shipping lines. Further, we undertake all our export activities from Maharashtra and Tamil Nadu and therefore heavily depend on the smooth functioning of the ports in these states. Weather-related problems, improper handling of our products, strikes, or other events could impair our ability to deliver the requisite quantities of products in time to our customers, which may result in cancellation of purchase orders, and could adversely affect the performance of our business, financial condition, results of operations and prospects.

Factors like disruption of transportation services due to weather-related problems, strikes, etc., inadequacies in the transport infrastructure, or any such other reasons could impair the ability of our suppliers to deliver input materials to us and our ability to deliver our processed products to our customers in a timely manner. Transportation of some of our finished goods may require insulated and refrigerated vehicles. Our raw materials and finished products may be lost, damaged or subject to spoilage and contamination due to improper handling, negligence, transport strike or for any other reason and any such future occurrences may not be within our control. We cannot assure you that we will not experience disruptions in our work or have an adverse impact on the quality of our processed products due to any such reasons in the future. As a result, in the event there is any disruption in the supply or any adverse impact on the quality of our raw material and final products, performance of our business, financial condition, results of operations and prospects may be adversely affected.

Additionally, if we lose one or more of our transportation providers, we may not be able to obtain terms as favourable as those we receive from the third party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, our transportation providers may not carry enough insurance coverage and therefore, any losses that may arise during the transportation process may have to be claimed under our transit insurance policy. There can be no assurance that we will receive

compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and prospects.

8. ***We derived 44.77%, and 41.65 % of our revenue from product sales from our top 10 customers in fiscal 2017 and the six months ended September 30, 2017, respectively, and the loss of the revenue from such customers would harm our business, financial condition, results of operations and prospects.***

Our top 10 customers accounted for 44.77% and 41.65% of our revenue from product sales for fiscal 2017 and the six months ended September 30, 2017, respectively. We anticipate that this concentration of sales among key customers may continue in the future. We do not have any long term supply contracts with these customers and our business and results of operations would be harmed if we are unable to maintain or further develop our relationships with our key customers. The loss of a key customer or a number of key customers may harm our financial conditions and results of operations. Moreover, changes in the strategies of our largest customers, including a shift to our competitors' products, or a change in their product mix resulting in lower procurement by them from us, may harm our sales. Any such factors may adversely affect our business, financial condition, results of operations and prospects. For further details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operation - Significant Factors Affecting our Results of Operations - Client concentration, competition and pricing pressure***" on page 270.

9. ***A significant portion of our revenues are dependent on our exports to our international customers. Any failure to fulfil the requirements of our international customers may adversely affect our revenues, result of operations and cash flows.***

In fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, export sales accounted for 55.74%, 50.26%, 54.95% and 49.54% respectively of our revenue from product sales.

As a result, our operations are impacted by various risks inherent in international sales and operations, including:

- currency exchange rate fluctuations;
- regional economic or political uncertainty;
- currency exchange controls;
- differing accounting standards and interpretations;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements;
- Governmental bans or restrictions;
- risks related to the enforceability of legal agreements and judgments in foreign countries; and
- availability of Government subsidies or other incentives that benefit competitors in their local markets that are not available to us, and competition from local players.

We expect that we will continue expanding into our existing and additional target international markets, but our expansion plans may not be realized, and if they are, they may not be successful. To the extent that we are unable to effectively manage our global markets and risks such as the above (in particular, as we implement our strategy to enter into new markets where we do not have local knowledge and resources), we may be unable to grow or maintain our sales and profitability.

Further, since we are exposed to food safety standards and compliances of each of the geographies we cater to, adherence to such standards and compliances may be stringent, time and cost bearing and failure to adhere may expose us to pecuniary or non-pecuniary obligations. We expect each market to have particular regulatory hurdles to overcome and future developments in these markets, including the uncertainty relating to Governmental policies

and regulations, could harm our business. If we expend significant time and resources on expansion plans that fail or are delayed, our business, financial condition, results of operations and prospects may be adversely affected.

10. ***We have significant working capital requirements. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our business, financial condition, results of operations, and prospects.***

Our business requires working capital, part of which would be met through additional borrowings in the future. In many cases, significant amounts of working capital are required to finance the procurement of raw materials, labour and the upkeep of our production facilities before payments are received from clients.

Our working capital requirements may increase if, under certain contracts, payment terms do not include advance payments or such contracts have payment schedules that shift payments towards the end of the production or otherwise increase our working capital burdens. Further, the cost of financing high levels of inventories have significantly increased and in future, will increase our working capital requirements. Additionally, our working capital requirements have increased in recent years due to the general growth of our business and also on account of the fact that we routinely attempt to forecast the demand for our products to ensure we purchase an adequate amount of raw materials. All of these factors may result, or have resulted, in increases in our working capital needs.

Due to various factors, including certain extraneous factors such as changes in interest rates and other costs or borrowing and lending restrictions, if any, we may not be able to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms, or at all, which may have an adverse effect on our business, financial condition, results of operations and prospects.

11. ***The disassociated relatives of our Promoter and any entity in which they may have interest have not been considered within the definition of “promoter group” under Regulation 2(1)(zb) of the SEBI ICDR Regulations and therefore information in relation to such relatives and entities is unavailable and has not been disclosed.***

Rahoul Jain along with his wife Shuchi Jain and their son, Rishabh Jain (collectively, the “**Rahoul Jain Family**”) have entered into a family settlement agreement dated October 25, 2017, with M.S Jain, Kiran Jain, Meghna Jain, Atul Jain and Neha Jain (collectively, the “**M.S. Jain Family**”), to record the understanding that the M.S. Jain Family, directly or indirectly, including through any companies, firms or other ventures promoted or controlled by them, are not involved in the promotion, control, management of, nor shall have any rights, representations, interest, responsibility or obligation (whether as promoters, directors, officers, employees or otherwise) in the business or operations of our Company, including our Subsidiaries.

In light of the above, the dissociated relatives of our Promoter and any entity in which they may have an interest have not been considered within the definition of “promoter group” under Regulation 2(1) (zb) of the SEBI ICDR Regulations. Accordingly, disclosures required to be made in relation to Promoter Group have not been made in relation to these disassociated relatives of our Promoter and any entity in which they may have an interest have not been included in this Draft Red Herring Prospectus, since our Company does not have access to such information. While all material information required for investors to make their investment decision in this Offer has been disclosed in this Draft Red Herring Prospectus, we cannot assure you that there is no material information with respect to such dissociated relatives or any entity in which they may have interest, which may be significant to the investors to make their investment decision in this Offer and has not been disclosed in this Draft Red Herring Prospectus.

12. ***Our Company, our Subsidiary, Gonglu and our Group Company, Shuchi Beverages Limited (“SBL”), have filed applications for compounding of offences under certain sections of the Companies Act, 1956 and the Companies Act, 2013. While we have applied for compounding of offences, we cannot assure you that the offences will be compounded or that the penalty imposed on our Company or SBL will be reasonable and that any such event will not have an adverse effect on our business and operations.***

In the past, there has been an instance of non-compliance, by our Company under Section 295 of the Companies Act, 1956 and Section 185 of the Companies Act, 2013, in relation to a corporate guarantee given by our Company to its Group Company, SBL. Additionally, our Company had not complied with Section 383A of the Companies Act, 1956 and Section 203 of the Companies Act, 2013, in relation to the appointment of a company secretary for the period commencing from April 1, 2008 to July 14, 2017. Our Company has filed two applications, both dated October 19, 2017 before the RoC to compound these non-compliances. Further, Our Subsidiary, Gonglu, has filed

a compounding application dated November 28, 2017 with the RoC for non-compliance with Section 203 of the Companies Act, 2013 as Gonglu did not have a whole-time company secretary from a period of April 1, 2014 to November 26, 2017. There can be no assurance that the RoC and/or the National Company Law Tribunal will not take an adverse view and impose penalties on our Company which may range from ₹ 500,000 to ₹ 2,500,000, for each non-compliance. For details in relation to the compounding applications, see “***Outstanding Litigation and Material Developments - Details of prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last five years***” on page 315.

In addition, in the past, there have been instances of non-compliance, by our Group Company, SBL, under (i) Section 203 of the Companies Act, 2013, in relation to non-appointment of a company secretary from a period of April 1, 2014 to November 26, 2017; and (ii) Section 185 of the Companies Act, 2013, in relation to granting a loan to a company in which its directors are interested. SBL has filed a compounding application dated November 27, 2017 before the RoC. There can be no assurance that the RoC and/or the National Company Law Tribunal will not take an adverse view and impose penalties on SBL, which may range from ₹ 500,000 to ₹ 2,500,000, for each offence, which may adverse effect on our business and operations.

We cannot assure you that the offences will be compounded or that the penalty imposed on our Company or on our Group Company, SBL, will be reasonable and that any such event will not have an adverse effect on our business and operations.

13. ***Our Company has delayed in its compliance with respect to certain filings required to be made with the RoC. Our Company has, in the past, made applications to the Central Government for condonation of delay for forms not filed. There can be no assurance that there will not be any delay in making form filings in the future and that such delays will be condoned or that the penalty imposed on our Company will be reasonable and that any such event will not have an adverse effect on our business and operations.***

In the past, our Company had not filed forms MGT-14 for board resolution under Section 138, Section 179 and Section 203 of the Companies Act, 2013 for matters related to approving the annual accounts for fiscal 2015, re-appointment of executive directors, approval of remuneration of executive directors, approval of annual accounts and approval of secretarial audit report. During the month of August 2017, our Company filed three applications under section 460 of the Companies Act, 2013 requesting condonation of delay in filing the requisite forms. The RoC has approved one of the applications on December 8, 2017 and the other two on December 20, 2017. There can be no assurance that there will not be any delay in making form filings in the future and that such delays will be condoned or that the penalty imposed on our Company will be reasonable. Further, our Company and all officers of our Company that have defaulted in this regard may also be subject to punishment as prescribed under the Companies Act.

14. ***Some of our corporate records relating to forms filed by us in the past with the RoC are not traceable.***

We are unable to trace copies of certain forms filed by us in the past with the RoC, in relation to certain allotment of Equity Shares. In this regard, we had appointed an independent agency to conduct a search with the RoC and have still not been able to trace such forms filed by us in the past. Accordingly, we have relied on other records for the purposes of providing details in relation thereto, in this Draft Red Herring Prospectus. Therefore, we cannot assure you that we have adequately reflected all such requisite disclosures, or that we have not inadvertently omitted any clarification or additional information that we may have been in a position to disclose, had we been able to trace the complete set of documentation in relation thereto. Moreover, we cannot assure you that we will not undergo any regulatory scrutiny in the future, with respect to our due compliance with the applicable form filing and related requirements, in connection with the foregoing.

15. ***Our customers do not enter into long term or exclusive supply contracts with us. If we do not receive repeat orders from customers, our business may be harmed.***

Our customers do not enter into long term supply contracts with us. Our customers instead submit purchase orders from time to time, which are short term commitments for specific quantities of our products at an agreed price. In addition, we typically complete our procurement process between the months of May to July for mango and October to November and January to March for tomatoes, before we receive purchase orders from customers, forcing us to rely primarily on historical trends, other market indicators and management estimates to predict demand, which is particularly difficult as we expand into new markets. We usually expand our procurement operations based on a trend of historical growth and delivery, but we may not receive purchase orders that commensurate with our expanded operations on substantially the same terms, or at all, and we may not get

expected repeat orders from our customers. As a result, we may acquire and process more raw material than we can sell as processed products, which leaves us vulnerable to volatility in market demand, including downturns, and could harm our business and results of operations.

Likewise, it is possible that we may acquire and process less raw material than we would require to sell as processed products. If we are not able to supply our customers, the quantities of our products that they require, they may place orders with and even move some or all of their business permanently to our competitors. In addition, our customers could change their business practices or seek to modify the terms under which we usually do business with them, including the amount and timing of their payments to us. Further, we rely upon our customers to assess the demand for our products in their market based on their interactions with the consumers. Further, our inability to maintain our existing customers or to expand our customer network in line with our growth strategy could harm our business, financial condition, results of operations and prospects.

16. *Our inability to meet the tastes, preferences or consistent quality requirements of our customers or our inability to accurately predict and successfully adapt to changes in market demand could reduce demand for our products and harm our sales.*

Our results of operations and future growth, are largely dependent upon the demand for our products in the Indian and international markets. Demand for our products depends primarily on consumer-related factors such as demographics, local preferences and food consumption trends, macroeconomic factors such as the condition of the economy and the level of consumer confidence.

While our management maintains estimates of the likely production plans of customers by facility, and orders supplies and allocates production capacity on that basis, we are and will continue to be substantially dependent upon the purchase orders and indicative supply schedules or delivery schedules received from customers before the production and shipment of our products is due. Therefore, an unanticipated change in customer demand may adversely affect our liquidity and financial condition as a result of operating expenses that are relatively fixed and have been incurred by our Company. Further, if there is any sudden increase in demand of our products by our customers, we may encounter problems procuring raw material in a timely manner and fail to deliver the product as ordered, or supply it as per our customers' schedule.

We are also subject to various policies of the countries or regions where our customers are located, relating to the quantity, quality, characteristics and variety of the products sold to such countries, which may be upgraded or changed from time to time. Consumer tastes and preferences often change over time, and if we are not able to anticipate, identify or develop and market products that respond to changes in consumer tastes and preferences, demand for our products may decline. Our international customers often require that all the food we sell matches their quality standards and conduct sample checks on our products. The results from their sample checks may not reflect the quality of the products we sell to them or may not comply with their quality specifications or requirements. If our customers' sample checks identify any deficiencies in our products, they will generally have the right to return the entire batch we sold to them. We must, on a regular basis, keep pace with the preferences and quality requirements of our Indian and international customers, invest continuously in new technology and processes to provide the desired quality product, and continually monitor and adapt to the changing market demand. Any such change in preferences or our inability to meet the consistent quality requirements of our customers could harm our business, financial condition, results of operations and prospects.

17. *A slowdown or shutdown in our production operations or a significant disruption or under-utilization of our facilities could have an adverse effect on our business, financial condition, results of operations and prospects.*

Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Our production facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence of equipment or machinery, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant Government authorities. Our business is dependent upon our ability to manage our production facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations, although we do not consider any such malfunction or delay in the past to have materially impacted our financial performance. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance,

statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations. Further, several of the raw materials that we require, are perishable products and consequently any malfunction or break-down of our machinery or equipment resulting in the slowdown or stoppage of our operations may adversely affect the quality of such raw materials.

Although we employ routine safety procedures in the operation of our facilities and maintain what we consider to be adequate insurance, there is a risk that an accident may occur in one of our facilities in the future. An accident may result in destruction of property or equipment, environmental damage, production or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

Although we have not experienced any significant disruptions at our production facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our production facilities, which in turn may have an adverse effect on our business, financial condition, results of operations and prospects.

18. *A shortage or non-availability of electricity, fuel or water may adversely affect our production operations and have an adverse effect on our business, financial condition, results of operations and prospects.*

Our operations require a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. We also require substantial electricity for our production facilities, most of which is sourced from local utilities, supported by captive solar generation and diesel generator sets installed at our facilities. Further, our raw materials and our products, being perishable in nature, are required to be stored at specific temperatures, supported by continuous supply of electricity and if supply of electricity is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. If for any reason such electricity is not available, including for expansion our plants, we may need to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

We currently source our water requirements from state and municipal corporations and local body water supply, canals, bore wells and water tankers and depend on state electricity boards and private suppliers for our energy requirements. Although we have diesel generators to meet exigencies at certain of our facilities, we cannot assure you that our facilities will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely manner, and at an acceptable cost, may have an adverse effect on our business, financial condition, results of operations and prospects.

19. *Certain properties occupied by us, including our Registered Office and our production facilities at Sathyavedu, are not owned by us and we have only leasehold rights. In the event we lose or are unable to renew such leasehold rights, our business, financial condition, results of operations and prospects may be adversely affected.*

We do not own the premises in which our Registered Office and our production facilities at Sathyavedu are situated. Our Registered Office is situated on premises leased from our Promoter and Chairman and Managing Director, Rahoul Jain, pursuant to a rental agreement dated November 17, 2017, for a period of 11 months commencing from November 1, 2017. Part of our production facilities at Sathyavedu are also situated on land leased from Rahoul Jain and Shuchi Jain, pursuant to a rental agreement dated November 18, 2017, for a period of 11 months commencing from October 1, 2017. In addition to our production facilities, we also use two production facilities located in Srikalahasti, Andhra Pradesh and in Krishnagiri, Tamil Nadu to cater to increased demand during peak seasons, under arrangements with the respective third party manufacturers.

In addition to rental expenses, such arrangements may be terminated by the lessors, including on account of any actual or alleged breach by us by the terms of such lease. We cannot assure you that we will be able to continue with the uninterrupted use of these premises, on the same or similar commercial terms in the future. Any

significant rent escalation or disturbance in the use of such leased premises may adversely affect our business, financial condition, results of operations and prospects, or may require us to relocate, perhaps at higher cost. In addition, any adverse developments relation to our Promoter's title or ownership rights to such properties may adversely affect our operations.

We are currently occupying our office and operating our production facilities under rental agreements which are not registerable. Consequently, should any dispute arise in relation to our use of the relevant properties, we may be unable to, or may incur additional expenses to enforce our rights in relation to such properties. Further, there can be no assurance that the local stamp authorities will not claim additional payment on stamp duty on our rental agreements for our office and production facility premises. An instrument deemed to be not duly stamped, or insufficiently stamped, shall not be admissible as evidence in any Indian court or may attract a penalty as prescribed under applicable law, which may have an adverse effect on the continuance of our operations.

20. ***Our Restated Standalone Financial Information contain certain observations by our Auditors. We cannot assure you that such observations for any fiscal periods will not affect our results of operations in such future fiscal.***

Our Restated Standalone Financial Information contain the following observations by our Auditors:

According to the information and explanation given to the Auditors, following are dues outstanding of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax on account of disputes:

For the year ended 31st March 2017 - Clause vii (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	371.28	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Excise duty	1.35		Commissioner of Central Excise Appeals	March 2011 to June 2013
Andhra Pradesh Value Added Tax	15.68		Pending with CST Tribunal Delhi, Assistant Commissioner CT and Appellate Tribunal	F.Y 2005-2006 to 2008-2009 F.Y 2010-2011 to 2012-2013
TN Value Added Tax	85.63	-	Deputy Commissioner	2007-08 to 2014-15
Agricultural marketing committee demand	85.62		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2012-13

In respect of loans and guarantee, the Company has not complied with the provisions of Section 185 of the Companies Act, 2013, as follows

Particulars	Non-compliance
Corporate Guarantee extended to a bank in respect to credit facilities sanctioned to a body corporate covered under explanation (d) to Section 185	Section 185

For the year ended 31st March 2016 - Clause vii (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	226.67	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Andhra Pradesh Value Added Tax	15.68		Pending with CST Tribunal Delhi, Assistant Commissioner CT and Appellate Tribunal	F.Y 2005-2006 to 2008-2009 F.Y 2010-2011 to 2012-2013
TN Value Added Tax	85.63	-	Deputy Commissioner	2007-08 to 2014-15
Agricultural marketing committee demand	85.62		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2012-13

For the year ended 31st March 2015 - Clause vii (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	41.31	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Andhra Pradesh Value Added Tax	15.53		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2011-12

For the year ended 31st March 2014 - Clause ix (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	35.03	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Andhra Pradesh Value Added Tax	15.53		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2011-12

For the year ended 31st March 2013 - Clause ix (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	118.59	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2010-11

See “**Financial Information – Financial Statements – Restated Standalone Financial Information**” on page 201.

We cannot assure you that our Restated Financial Information for any future fiscal periods will not contain any observations, adverse remarks or emphasis of matters, or that such observations, adverse remarks or emphasis of matters will not require any adjustment in our financial statements for such future fiscal periods or otherwise affect our results of operations in such future fiscal periods.

21. ***If we are unable to effectively implement our business and growth strategies, our business prospects, results of operations and financial condition may be adversely affected.***

Our future success will depend, in large part, on our ability to effectively implement our business and growth strategies, including our strategy to further expand our operations in India and abroad, diversifying our product portfolio, with an aim to focus on IQF for new non-mango products and vegetables.

We also intend to further expand our procurement volumes to increase cost efficiencies and improve quality of raw materials procured and continue to focus on improving capacity utilization and operational efficiencies.

We have forayed into value added products to cater to evolving consumer preferences and capitalize on emerging trends. For instance, we have started supplying new products such as IQF guava dices, frozen parathas, and IQF coconut chunks.

Leveraging our multi-fruit/vegetable processing capabilities, we have a pipeline of varied new products under development, that we would seek to commercialize as and when we perceive a market opportunity in the future, including the launch of tomato-based products such as sauces and ketchup; new IQF products, such as vegetables, banana, pomegranates and grapes; other speciality products such as cooking sauces; crushes and blends with a mix of different fruits; customization of puree/concentrate grades along with frozen capabilities; and spray dried fruit and vegetable powders as well as coconut water and other derivatives to our customers.

Our strategy is to diversify into products with domestic and international demand potential and higher margins. These will involve a significant increase in our expenditure, as we focus on penetrating the Indian and overseas markets, as a consequence of which our profits margins might reduce.

As we expand our business to new product lines, we may encounter regulatory, personnel, technological and other difficulties that may increase our expenses, delay commencement of commercial production or expansion of our distribution network, or require us to comply with applicable regulatory requirements. We may also find it difficult

to find customers for our new products. Further, our expansion into new product lines may adversely affect our risk profile due to market competition, and rapidly changing market and industry conditions.

There can be no assurance that we will be able to implement our business strategies in a timely manner or at all or that we will meet the expectations of our customers and other stakeholders. Our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, implementation of these growth strategies may require us to incur additional indebtedness. There can be no assurance that we will be able to implement our business strategies, and such failure may materially impact our ability to grow our business and have an adverse effect on our business prospects, results of operations and financial condition. There can be no assurance that in the future we will not discontinue production of any of our current products, whether for commercial reasons or otherwise, and this could materially impact our ability to expand our product portfolio or continue to offer a diverse range of products, which could have an adverse effect on our growth and business prospects, results of operations and financial condition.

22. *Our growth strategy includes evaluating opportunities for strategic alliances, partnerships, investments and acquisitions. If we are unable to successfully identify and integrate acquisitions, our growth strategy, business, financial condition, results of operations and prospects may be adversely affected.*

We may rely on inorganic growth as a key part of our growth strategy, including for our expansion into new business segments. We may evaluate opportunities for alliances, collaborations, partnerships, investments and acquisitions that meet our strategic and financial return criteria, and to strengthen our portfolio of product. We may face several risks in relation to entering into strategic partnerships and acquisitions in the future, including, but not limited to, the following:

- we may be unable to identify suitable acquisition or investment targets;
- we may be unable to arrange for adequate financing on commercially reasonable terms or to negotiate commercially reasonable terms for such acquisitions or investments, or we may incur higher than anticipated costs in relation to proposed strategic transactions;
- our due diligence processes may fail to identify all the risks, liabilities and challenges in relation to proposed strategic transactions;
- we may not be able to achieve the strategic purpose of our proposed acquisitions, investments, alliances, collaborations or partnerships;
- we may face difficulties in integrating acquired entities' accounting, management information, human resources and other administrative systems with our own;
- our management may be distracted or strained by the challenges posed by strategic transactions, or related transition and integration activities;
- we may fail to maintain the quality and consistency or sustain compliance and due performance of contractual obligations by our business partners or acquisition targets;
- our relationships with our current and new employees, distributors, dealers, customers and business partners may be strained or impaired, as a result of our inability to successfully integrate an acquisition target; and
- we may inherit claims or liabilities, as a result of a strategic acquisition, including claims from erstwhile employees, distributors, dealers, customers, business partners or other third parties;

Accordingly, we cannot assure you that our future alliances, collaborations, partnerships, investments or acquisitions will prove value accretive to us. In the event that any of the risks discussed above, or any other incidental risks should materialize, our business, financial condition, results of operations and prospects may be adversely affected.

23. ***Acceptance of our recently launched products and products that we may launch in future may not be as high as we anticipate which may limit our ability to strengthen our brands and have an adverse effect on our business, financial condition, results of operations and prospects.***

We have forayed into value added products to cater to evolving consumer preferences and capitalize on emerging trends. For instance, we have started supplying new products such as IQF guava dices, IQF coconut chunks and frozen parathas. We have a pipeline of varied new products under development, that we would seek to commercialize as and when we perceive a market opportunity in the future, including the launch of tomato-based products such as sauces and ketchup; new IQF products, such as vegetables, banana, pomegranates and grapes; other specialty products such as cooking sauces; crushes and blends with a mix of different fruits; customization of puree/concentrate grades along with frozen capabilities; and spray dried fruit and vegetable powders as well as coconut milk, oil and other derivatives to our customers.

Developing and introducing new products can be risky and expensive, and we cannot assure you that our new products or variants will gain market acceptance or meet the particular tastes or requirements of consumers, and that any increased costs incurred by us will be passed on entirely or in large part to our customers. Any or all of these factors could adversely affect our business, financial condition, results of operations and prospects.

24. ***We have incurred significant indebtedness and may incur substantial additional debt in the future, which may expose us to interest rate fluctuations, and restrict our operational flexibility in certain ways.***

The food processing industry is inherently capital intensive and requires significant expenditure. Our ability to borrow, the terms of our borrowings and our cost of borrowing depend on various factors, including our results of operations, financial condition, general market conditions for food processing companies, economic and political conditions in the geographies where we operate, and our capacity to service debt.

As on December 31, 2017, our total consolidated outstanding indebtedness was ₹ 2,465.31 million.

Our indebtedness could have several consequences, including but not limited to the following:

- a portion of our cash flows may be used towards repayment of our existing debt, which will reduce the availability of our cash flows to fund working capital, capital expenditures, acquisitions and other requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our indebtedness is at variable interest rates;
- there could be an adverse effect on our business, financial condition, results of operations and prospects if we are unable to service our indebtedness or otherwise comply with financial and other covenants specified in the financing agreements; and
- we may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Given the nature of our business, we will continue to incur substantial indebtedness even after the Offer, and we cannot assure you that the aforementioned risks will not have an adverse effect on our business, financial condition, results of operations and prospects.

25. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets.***

Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Our accounts receivable, inventories, certain machinery and equipment, are subject to charges created in favour of specific secured lenders. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for events or actions including the following:

- any change in shareholding of our Promoter;
- any change in the capital structure of our Company;
- any additional borrowings;

- any encumbrance or security over charged assets;
- change in the ownership or control of our Company, resulting in any change in the beneficial ownership;
- any material change in the management of our Company;
- any scheme of merger, amalgamation, compromise or reconstruction;
- any change in the constitutional documents of our Company;
- pre-paying any indebtedness incurred by our Company;
- declaring any dividend on share capital of the Company, if the Company has failed to meet its obligations to pay the interest and/or commission and/or installment or installments and/or other moneys payable to the lender, so long as it is in such default;
- any corporate investments by way of share capital or debentures or lend or advance funds to or place deposits with, any other concern except give normal trade credits or place on security deposits in the normal course of business or make advances to employees;
- selling, assigning, mortgaging or otherwise disposing of any of the fixed assets charged to the lender;
- any payments or loans to our group companies;
- revaluing the assets of our Company;
- any scheme of expansion/diversification/modernization other than incurring routine capital expenditure;
- undertake guarantee obligations on behalf of any third party or any other company; any contractual obligation of a long-term nature or affecting the Company financially to a significant extent; and
- any change to the general nature of the business of the Company.

In addition, such restrictive covenants may also affect some of the rights of our shareholders and our ability to pay dividends if we are in breach of our obligations under the applicable financing agreement. Such financing agreements also require us to maintain certain financial ratios. Certain lenders of our Subsidiaries are also entitled to accelerate the repayment of the loans at any time based on the lenders' assessment of the cash flows of the relevant Subsidiary.

Further, any future downgrading of the credit rating of our Company or our Subsidiaries by a credit rating agency below a specified grade or any adverse comment from our Statutory Auditors or the statutory auditors of such Subsidiary may qualify as an event of default under the relevant financing agreements of our Company or our Subsidiaries. Most of these banks and financial institutions also have a right to appoint nominee directors under these financing agreements. Pursuant to the provisions of certain loan facilities availed of by our Company, the lenders are entitled to call notice requiring the borrower to repay (either in full or in part) the amount outstanding on any particular day. Further, a downgrade of our credit rating may also increase our interest costs.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have an adverse effect on our financial condition and results of operations.

26. *We may be adversely affected by lenders' enforcement of our Company's guarantees in relation to certain debt facilities of our Subsidiary, Gonglu.*

We have provided corporate guarantees in favour of certain lenders to our Subsidiary, Gonglu. Such lenders may require alternate or additional guarantees, collaterals, accelerated payments of outstanding amounts or terminate the relevant loan facilities if they determine that our guarantees are inadequate, or in default of our obligations. We may not be successful in providing the required guarantees or at all and may need to repay outstanding amounts or seek additional sources of capital, which could affect our cash flows, financial condition and results of operation.

27. *Our operations are regulated in the area of food safety, as well as certain quality and other certifications, and we may be subject to high compliance costs.*

Our operations are subject to a broad range of health and safety laws and regulations, which affect our day-to-day operations, and violations of these laws and regulations can result in fines or penalties, which may adversely impact our business, financial condition, results of operations and prospects. For instance, the provisions of the Food Safety and Standards Act, 2006 are applicable to us and our products, which sets forth requirements relating

to the license and registration of food businesses and general principles for food safety standards, and manufacture, storage and distribution. To remain compliant with all laws and regulations that apply to our operations and products, we may be required in the future to modify our operations or make capital improvements.

Additionally, we export our products to overseas markets, viz., Europe, Middle East, Asia Pacific, Africa and North America. In the overseas market, certain certifications and standards are customarily expected, and maintaining such registration, certifications or standards may be expensive and time consuming, which may impact our business, financial condition, results of operations and prospects.

See “*Our Business – Quality Control*” and “*Government and Other Approvals*” on pages 162 and 319, respectively.

28. *Termination of our agreements with our contract manufacturing facilities may adversely affect our business, results of operations and financial condition.*

As of the date of this Draft Red Herring Prospectus, we operate three production plants in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu and Nashik, Maharashtra, located in areas with high fruit and vegetable cultivation as well as major export zones in India. In addition to our production facilities, we also use, on contract manufacturing basis, two production facilities located in Srikalahasti, Andhra Pradesh and in Krishnagiri, Tamil Nadu. Although a majority of our revenue is generated from sale of products manufactured at our owned manufacturing facilities, we also generate considerable revenue from these third party contract manufacturing facilities.

Any non-renewal or termination of our arrangement with any of these third party contract manufacturing facilities will adversely affect our sales and revenue from operations. Further, if we are unable to suitably replace our arrangement with another third party contract manufacturing facility, our revenue from operations may be adversely affected.

29. *We are dependent on a number of key managerial personnel, including our senior management, and the loss of or our inability to attract or retain such persons could adversely affect the efficiency of our operations.*

Our performance depends largely on the efforts and abilities of our senior management and other key managerial personnel. Our Promoter and Chairman and Managing Director, Rahoul Jain has a track record of over 18 years in the food processing industry. Our senior management team comprises qualified, experienced and highly skilled professionals who have experience across various sectors, which helps us in growing our business.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us.

Competition for qualified personnel with relevant industry expertise in India is intense due to the scarcity of qualified individuals in the food processing business. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting skilled employees that our business requires. A loss of the services of our key personnel could adversely affect our cash flows, business, financial condition, results of operations, and prospects.

For more information, see “*Our Management*” on page 176.

30. *We are subject to stringent labour laws or other industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and prospects.*

Our production activities are labour intensive, require our management to undertake significant labour interface, and expose us to the risk of industrial action. We are subject to a number of stringent labour laws that protect the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. In the past, we have suffered minor labour-related disruptions at our facilities, consequent to which we have entered into wage settlements with our workers from time to time, although we do not consider such occurrences to have materially impacted our financial performance and operations. There can be no assurance that we will not experience

disruptions to our operations due to disputes or other problems with our work force such as strikes, work stoppages or increased wage demands in the future, which may adversely affect our business.

While we consider our current labour relations to be good, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to perform our contract obligations.

The number of contract labourers employed by us varies from time to time based on the nature and extent of work contracted to independent contractors. Further, any disputes between our contractors and their employees, or our contractors' failure to satisfy regulatory obligations towards their workers, where we are registered as the principal employer, may also result in disruptions in our operations, or in increased compliance costs for us, which may also adversely affect our ability to complete or undertake our production activities in a timely manner.

31. *While we have registered certain trademarks used by us for our business, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.*

The use of our name and trademarks by third parties could adversely affect our reputation, which could, in turn, adversely affect our business and prospects.

Despite our best efforts to detect and address any such possible infringement, we may not be able to prevent such possible infringement of our name and trademarks, or to pre-empt any adverse impact on our reputation, business and prospects, or to rule out the possibility that we may be sued by third parties in the future for alleged violation by us of their intellectual property. If such infringement issues or claims should arise in the future, we may be required to initiate or defend ourselves in costly litigation, which may also divert management's attention and resources.

See "**Our Business – Intellectual Property**" and "**Government and Other Approvals**" on page 165 and 319, respectively.

32. *Our Company, Subsidiaries, Directors, Promoter and Group Company are involved in certain legal proceedings, which if determined adversely, may adversely affect our business, financial condition, results of operations and prospects.*

In the ordinary course of our business, our Subsidiaries, Promoters, Directors and Group Company are involved in certain legal proceedings, pending at varying levels of adjudication at different fora. In this Draft Red Herring Prospectus, pending litigation involving our Company, our Subsidiaries, Promoters, Directors and Group Company, other than criminal proceedings, statutory or regulatory actions and taxation matters, are considered material if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of ₹ 2.20 million.

A summary of such legal proceedings, including material legal proceedings, is set out below:

I. *Litigation against our Company*

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases against our Company	Approximate amount involved*
• Criminal proceedings	2	90.15
• Regulatory proceedings	12	0.25
• Taxation proceedings	35	670.34
• Civil proceeding	1	5.00

*The amount does not include penalties or interests.

II. *Litigation by our Company*

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases by our Company	Approximate amount involved*
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	Nil	Nil
• Civil proceeding	1	276.39

*The amount does not include penalties or interests.

III. Litigation against our Subsidiaries

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases against the Subsidiary	Approximate amount involved*
<i>Proceedings against Gonglu</i>		
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	2	Not ascertainable
• Taxation proceedings	2	9.95
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases against the Subsidiary	Approximate amount involved*
<i>Proceedings against Fresco</i>		
Criminal proceedings	Nil	Nil
Regulatory proceedings	Nil	Nil
Taxation proceedings	Nil	Nil
Civil proceeding	Nil	Nil

IV. Litigation by our Subsidiaries

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases by the Subsidiary	Approximate amount involved*
<i>Proceedings by Gonglu</i>		
Criminal proceedings	Nil	Nil
Regulatory proceedings	Nil	Nil
Taxation proceedings	Nil	Nil
Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases by the Subsidiary	Approximate amount involved*
<i>Proceedings by Fresco</i>		
• Criminal proceedings	1	13.58
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	Nil	Nil
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

V. Litigation against our Directors

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases against the Director	Approximate amount involved*
<i>Proceedings against our Directors</i>		
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	3	18.76
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

VI. Litigation by our Directors

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases by the Director	Approximate amount involved*
<i>Proceedings by our Directors</i>		
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	Nil	Nil
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

VII. Litigation against our Promoter

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases against the Promoter	Approximate amount involved*
<i>Proceedings against our Promoter</i>		
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	2	17.76
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

VIII. Litigation by our Promoter

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases by the Promoter	Approximate amount involved*
<i>Proceedings by our Promoter</i>		
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	Nil	Nil
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

IX. Litigation against our Group Company

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases against the Group Company	Approximate amount involved*
<i>Proceedings against SBL</i>		

Nature of litigation	Number of cases against the Group Company	Approximate amount involved*
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	2	Not ascertainable
• Taxation proceedings	3	21.50
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

X. Litigation by our Group Company

(in ₹ million except where otherwise stated)

Nature of litigation	Number of cases by the Group Company	Approximate amount involved*
<i>Proceedings by SBL</i>		
• Criminal proceedings	Nil	Nil
• Regulatory proceedings	Nil	Nil
• Taxation proceedings	Nil	Nil
• Civil proceeding	Nil	Nil

*The amount does not include penalties or interests.

We cannot assure you that any of the outstanding legal or other proceedings will be settled favourably, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have an adverse effect on our business, financial condition, results of operations, and prospects.

For further details, see “*Outstanding Litigation and Other Material Developments*” on page 311.

33. Any inability to successfully develop or procure technology or failure or disruption of our information technology systems may adversely affect our business, financial condition, results of operations, and prospects.

We are in the process of installing an ERP system, to reduce manual intervention and maintain greater control over our operations.

We cannot assure you that we will be able to satisfactorily implement such ERP or other information technology initiatives. In addition, technological advances from time to time may result in our systems, methods or production facilities becoming obsolete. Failure to keep up to date with such changes could result in our competitors having an advantage over us, which could impact negatively upon both our financial performance and our reputation. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations and financial condition.

34. Delays or defaults in client payments could adversely affect our operations.

We may be subject to working capital risks due to delays or defaults in payment by clients, bad debts, etc. which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer.

We extend significant credit terms to our customers and our customers pay us a specified percentage of the price of our products as an advance at the time of placing the order and the remaining amount is payable in subsequent intervals. Inability of our customers to meet our payment schedules or any delay or non-receipt of payment from such distributors, which may result in significant loss and an increase in our working capital cycle and have an adverse effect on our business, financial condition, results of operations and prospects.

35. Any variation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus shall be subject to certain compliance requirements, including prior Shareholders’ approval. In the event that Shareholder approval is not forthcoming, an exit opportunity to the Shareholders who do not agree with our proposal to modify the objects of the Offer, at a price and manner as may be prescribed by SEBI.

We intend to use the Net Proceeds for the following purposes:

- Repayment/pre-payment, in full or in part, of certain indebtedness of our Company;
- Investment in our Subsidiary, Gonglu for repayment / pre-payment of certain borrowings availed by it; and
- General corporate purposes.

Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. In the case of increase in actual outlay or shortfall in requisite funds, additional funds for the purpose will be met by means available to us, including internal accruals and additional equity and/or debt arrangements.

Further, while our management is required to temporarily invest the Net Proceeds, pending utilization, with Scheduled Commercial Banks listed in Schedule II of the Reserve Bank of India Act, 1934, there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of, such temporary investments.

At this juncture, we cannot determine with certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as will be disclosed in the Draft Red Herring Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations.

Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the Shareholders who do not agree with our proposal to modify the objects of the Offer, at a price and manner as may be prescribed by SEBI. SEBI has not yet prescribed any regulations in this regard and such regulations may contain onerous obligations. Additionally, the requirement on Promoter or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoter or controlling shareholders from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price which may be prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in our interest. This may restrict our ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Offer Proceeds, if any, which may adversely affect our business and prospects. For further details on the utilization of Net Proceeds, see "**Objects of the Offer**" on page 95.

36. *Our sustained growth depends on our ability to attract and retain skilled manpower. Failure to attract and retain skilled manpower or our increased employee costs could adversely affect our business, financial condition, results of operations and prospects.*

Our performance depends largely on the efforts and abilities of skilled manpower for our production processes. As of November 30, 2017, our management team is supported by 264 full time employees, and 595 contract workers. 158 of these full time employees are the technical and mechanical staff, who possess the necessary experienced in use and handling of modern machinery at our production facilities.

We cannot assure you that we will be able to retain these skilled personnel or find adequate replacements in a timely manner, or at all. We are required to employ qualified and trained personnel, including local personnel, for working at our production facilities. We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with our Company, or our contractors, as the case may be. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel, or to address any breaches on the part of our respective contractors and subcontractors, where we are the principal employers. The loss of the services of such persons,

particularly members of our management team such as our Directors and Key Managerial Personnel for any reason in the future, could have an adverse effect on our business, financial condition, results of operations, and prospects.

For further details, see “*Our Business*” and “*Our Management*” on pages 147 and 176, respectively.

37. ***We have contingent liabilities not provided for as on September 30, 2017 and our profitability may be adversely affected if any of these contingent liabilities materialize.***

The following table reflects our contingent liabilities, on a consolidated basis, as on September 30, 2017:

(₹ in million)				
Particulars	fiscal 2015	fiscal 2016	fiscal 2017	Six months ended September 30, 2017
Demand from Income Tax authorities	41.31	226.67	371.28	506.48
Demand from Excise Duty authorities	-	-	1.35	62.84
Tamil Nadu Value Added Tax demand	-	85.63	85.63	96.41
Agricultural marketing committee	-	85.62	85.62	85.62
Andhra Pradesh Value Added Tax demand	15.53	15.68	15.68	15.68
Creditor claim under litigation	4.54	4.54	4.54	4.54
Claim by Triguni Food Private Limited	5.00	5.00	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account and not provided for	17.37	5.74	15.00	92.49
Letters of credit issued by bank on behalf of the Company	207.31	234.17	247.86	156.52
Export obligations remaining to be fulfilled in respect of EPCG Licenses	-	-	5.40	1.42
Bank guarantees	2.50	0.35	201.60	209.09
Corporate guarantee extended to bank in respect of loan to Gonglu Agro Private Limited	689.20	689.20	689.20	660.70
Corporate guarantee extended to bank in respect of loan to Company in which Director is interested	200.00	200.00	200.00	-
Additional Central Sales Tax payable due to non-receipt of C-Form from customers	0.32	7.44	56.30	10.32

*Note: Additional CST payable due to non-receipt of Form-C from customers represents current status of pending forms of the respective prior year.

There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current financial year or in the future. In the event, or to the extent, that any of our contingent liabilities is realized, it could have an adverse effect on our business, financial condition, results of operations, and prospects.

For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Outstanding Litigation and Other Material Developments*” on pages 267 and 311, respectively.

38. ***We currently avail benefits under certain export promotion schemes including advance license and EPGC license. In order to continuously avail the benefits we are required to export goods of a defined amount. Any failure in meeting the obligations, may result in adversely affect our business operations and our financial condition.***

We currently avail benefits under certain export promotion schemes, including advance license and EPGC license. As per the licensing requirement under the said schemes, we are required to export goods of a defined amount, under EPGC license and defined quantity and amount under advance license, failing which, we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the said schemes along with interest. As of December 31, 2017 our pending obligations against EPCG License are ₹ 15.15 million and ₹ 80.97 million under the EPCG license. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business, financial condition, results of operations and prospects.

39. ***We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations, impact our cash flows and cause our financial results to fluctuate.***

Our financial statements are presented in Indian Rupees. However, our revenues and finance charges are influenced by the currencies of geographies where we sell our products (for example, Middle East, Asia and Europe). In fiscal 2017 and the six months ended September 30, 2017, foreign currency-linked revenue comprised 54.95% and 49.54%, respectively, of our consolidated revenues from product sales. A substantial proportion of our foreign currency revenues are denominated in US \$. The exchange rate between the Indian Rupee and these currencies has fluctuated in the past and our results of operations and cash flows have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period.

We may, therefore, suffer losses on account of foreign currency fluctuations for sale of our products to our international customers, since we may be able to revise the prices, for foreign currency fluctuations, only on a periodic basis and may not be able to pass on all losses on account of foreign currency fluctuations to our customers. Moreover, we may be required to reconfigure our loan portfolio from time to time, so as to effectively manage our finance charges.

While we hedge some of our foreign currency exchange risks from time to time by entering into forward exchange contracts and seek to hedge some of our future transaction by entering into similar transactions, any amount that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations.

40. ***Tax incentives and tax credits currently available to us could be modified or repealed in the future, which could adversely affect our business and prospects.***

The tax related laws that are applicable to us include the Value Added Tax as enacted by the various states in India, the Income Tax Act, 1961 (the “**Income Tax Act**”), the Customs Act, 1962 and various rules and notifications issued by taxation authorities. With effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) and certain tax incentives under these statutes are applicable to our Company.

In particular, we are eligible for the following special tax benefits, as certified by our Company’s Statutory Auditors, R. Subramanian and Company, LLP, by a certificate dated February 2, 2018:

- our Company, subject to fulfilling certain conditions, is eligible under Section 80-IB of the Income Tax Act, to claim the amount of deduction in a case of industrial undertaking deriving profit from the business of setting up and operating a cold chain facility for agricultural produce, shall be hundred per cent of the profits and gains derived from such industrial undertaking for five assessment years beginning with the initial assessment year and thereafter, thirty per cent of the profits and gains derived from the operation of such facility in a manner that the total period of deduction does not exceed ten consecutive assessment years;
- in accordance with and subject to the conditions specified in Section 32AD of the Income Tax Act, our Company is entitled for deduction of additional depreciation at the rate of 35% from profits or gains derived from an industrial undertaking located in notified backward areas for specified states; and
- our Company, although eligible for deduction under Section 80JJAA, in respect of employment of new employees, has not availed of such benefit.

There can be no assurance that any tax incentives availed of by our Company currently or historically will continue in the future or that such tax credits shall continue to be available to us in the future, to the same extent, or at all, or that any such deductions, if claimed by us, will necessarily be upheld and not challenged or denied by the relevant tax authorities.

For further details, see “**Statement of Tax Benefits**” on page 110.

41. ***Our insurance coverage may not be adequate to protect us against all material risks. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against a possible risk of loss.***

While we maintain insurance coverage that are reasonably adequate to cover the normal risks associated with the operation of our business (including all risks policies and directors and officers liability insurance), with reputed insurers, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, or on time, or that such insurance will be sufficient to cover all material losses that we may incur in the future, or that we will be able to renew such policies as and when such policies come due for renewal in the future.

The occurrence of an event that causes losses in excess of limits specified under the relevant insurance policy, or losses arising from events excluded from or not covered by our insurance policies, could adversely affect our business, financial condition, results of operations and prospects.

For further details on our insurance arrangements, see “***Business– Insurance***” on page 164.

42. ***Our Promoter and Promoter Group will continue to retain control over our Company after completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

After the completion of this Offer, our Promoter and Promoter Group will collectively control, directly or indirectly, approximately [●]% of our Company’s outstanding Equity Shares. As a result, our Promoter and Promoter Group will continue to exercise significant control over us. Our Promoter and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoter and members of our Promoter Group will act in our interest while exercising their rights in such entities.

For further details, see “***Our Management***” and “***Our Promoter and Group Company***” on pages 176 and 192, respectively.

43. ***Our Promoter and Director forming part of our Promoter Group holds Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoter and Directors forming part of our Promoter Group are interested in us to the extent of any transactions entered into or his shareholding and dividend entitlement in us. All of our Directors are interested in our Company to the extent of remuneration paid to them for services rendered as our Directors and reimbursement of expenses payable to them. Our Directors may also be interested to the extent of any transaction entered into by us with any other company or firm in which they are directors or partners.

Further, our Promoter may also be deemed to be interested to the extent that our Company has leased certain premises pursuant to rental arrangements with him.

For further details, see “***Our Management***” and “***Our Promoter and Group Company***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Our Results of Operations and Financial Condition – Significant Developments after September 30, 2017***” on pages 176, 192 and 289, respectively.

44. ***We have entered into and may in the future enter into related party transactions and there is no assurance that our future related party transactions would be on terms favourable to us when compared to similar transactions with unrelated or third parties.***

We have in the ordinary course of our business entered, and will continue to enter, into transactions with related parties. While all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, the transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest which may be detrimental to our Company. In addition, the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework

including specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions.

We cannot assure you that such related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations and prospects, including as a result of potential conflicts of interest or otherwise.

For more information regarding our related party transactions, see “*Financial Statements*” on pages 198.

45. ***Conflicts of interest may arise out of common business objects between our Company, our Subsidiaries and our Group Company.***

Our Company, our Subsidiaries, and our Group Company may, from to time, be empowered under their respective memorandum of association or constitutional documents, as the case may be, to undertake a similar line of business.

While we do not currently have any conflict management policy or similar arrangement in place, we may in the future be required to assess any potential conflicts of interest and take appropriate steps to address such conflicts of interest, as and when they may arise.

For further details, see “*History and Certain Corporate Matters – Subsidiaries of our Company*” and “*Our Promoter and Group Company – Group Company*” on pages 174 and 194, respectively.

46. ***Information relating to the estimated production capacities of our production facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates. Actual production rate may vary from such estimated production capacity information and historical capacity utilization rates.***

The information relating to the estimated production capacities of our production facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including assumptions relating to potential facility capacity, facility operating hours and potential operational days. Capacity additions to our production facilities have been made on an incremental basis, including through expansion of our production facilities, improving material handling and other operational efficiencies in the production process and addition of equipment or production lines from time to time. Actual production levels and future capacity utilization rates may vary significantly from the estimated production capacities of our production facilities and historical capacity utilization rates. In addition, capacity utilization is calculated differently in different countries, industries and for the different kinds of products we manufacture.

In relation to our utilized capacity, certain assumptions have been made in the calculation of the estimated annual installed capacities of our production facilities included in this DRHP (as certified by the statutory auditor). Actual production levels and utilization may however vary due to seasonality in demand from the computed installed capacities of our production facilities. Undue reliance should therefore not be placed on the production capacity information for our existing production facilities and any additional capacity information proposed or the historical capacity utilization rate information included in this Draft Red Herring Prospectus. For more details, see “*Our Business – Our Production Facilities*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Our Results of Operations and Financial Condition*” on pages 154 and 269, respectively.

47. ***This Draft Red Herring Prospectus contains information from industry sources including the industry report commissioned from Frost & Sullivan. Prospective investors are advised not to place undue reliance on such information.***

This Draft Red Herring Prospectus includes information that is derived from a report dated November 20, 2017, titled “*Market Opportunity Analysis for Fruit and Vegetable based Ingredients in India*” prepared by Frost & Sullivan (the “**Frost & Sullivan Report**”), pursuant to an engagement with our Company. We have commissioned this report for the purpose of confirming our understanding of the food processing industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Offer has verified the information in the Frost & Sullivan Report.

Frost & Sullivan has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable (the “**Information**”), it does not

guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The Frost & Sullivan Report also highlights certain industry, peer and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Frost & Sullivan assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. Frost & Sullivan has disclaimed all financial liability in case of any loss suffered on account of reliance on any information contained in the Frost & Sullivan Report. Prospective Investors are advised not to unduly rely on the Frost & Sullivan Report or extracts thereof as included in this Draft Herring Prospectus, when making their investment decisions.

For further details, see “*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*” and “*Industry Overview*” on pages 12 and 113, respectively.

48. ***We, as well as our Group Company, have, from time to time, availed unsecured or other credit facilities that are repayable on demand. Any unexpected demand for repayment may adversely affect our liquidity, business, financial condition, results of operations and prospects.***

We, as well as our Group Company, have from time to time, availed unsecured or other credit facilities that are repayable on demand by the lenders. In the event that the respective lenders call in any such credit facilities, alternative sources of financing may not be available to any of us on commercially reasonable terms, to the same extent, or at all. Any failure to service such indebtedness or comply with any obligations under such financing agreements may cause us to incur penalty interest or may result in the termination of one or more of our credit facilities or acceleration or cross-acceleration of payments under such credit facilities, as well as the declaration of an event of default or cross-default. Any such unexpected demand for repayment may adversely affect our liquidity, business, financial condition, results of operations and prospects.

49. ***We are subject to the risk of failure of, or weakness in, our internal control systems, which may have an adverse impact on our business, financial condition, results of operations and prospects.***

We have established internal control systems and processes for our internal audit team to scrutinise, and periodically test and update, all necessary facets of our operations. Our financial, secretarial compliance, audit and operational risk management functions are commensurate to the current size and complexity of our operations. However, our management information systems and internal control systems may not be sufficient to allow us to identify any irregularity, non-compliance or suspicious activity (including any actual or suspected instances of deviation from internal policies and procedures, failure to obtain requisite internal or other authorisations, theft, pilferage, employee or vendor or other third party fraud or misconduct or money laundering, or inadequacy of appropriate documentation and preservation of records, any other human or mechanical error or lapse, or failure of communication or automated systems), in a reasonable time or at all, or to rectify, address or pre-empt any or all such issues sufficiently, in a timely manner, or at all.

In particular, we have not historically been subject to the same level of corporate governance requirements and internal controls as may be expected of a listed company. Therefore, we may be required to strengthen our internal controls and administrative infrastructure, in connection with the listing of, and commencement of trading in, our Equity Shares on the Stock Exchanges pursuant to the Offer, as well as in connection with our future growth and expansion.

As a result, we may incur expenses or suffer losses, which adversely impact our business, financial condition, results of operations and prospects, or we may also suffer reputational damage.

50. ***We have experienced negative cash flows in the past. Any such negative cash flows in the future may adversely affect our business, financial condition, results of operations and prospects.***

We had negative cash flows from our investing and financial activities, on a consolidated basis, in fiscals 2015, 2016, 2017 and the six months ended September 30, 2017. For further information on our negative net cash flows, see “*Financial Statements - Restated Consolidated Cash Flow Statement – Annexure III*” on page 240. Negative cash flows in the future could adversely affect our business, financial condition, results of operations and prospects.

51. ***Our Subsidiaries, Fresco and Gonglu, have incurred losses in some of the past fiscals and may incur losses in the future.***

Our Subsidiaries, Fresco, through which we had in the past carried out sales of branded beverages under the brand ‘Tropix’ and Gonglu, have incurred losses in some of the past fiscals, the details of which are as follows:

(in ₹ million)

Particulars	fiscal 2014	fiscal 2015	fiscal 2016	fiscal 2017	Six months ended September 30, 2017
Fresco	(3.08)	(11.38)	(7.29)	(23.02)	(0.12)
Gonglu	Nil	(18.59)	1.40	14.42	(54.31)

Any such losses that our Subsidiaries may incur in the future, including due to our failure to successfully operate any new lines of business we may commence in the future, may adversely affect our results of operations and financial condition.

For further details, see “**Financial Information**” on page 198.

52. ***Our Group Company has incurred losses in previous fiscals. Our Group Company may incur further losses in the future, which could have an adverse effect on our reputation or prospects.***

Our Group Company, Shuchi Beverages, has incurred losses of ₹ 2.14 million in fiscal 2015. Our Group Company may incur further losses in the future, which could have an adverse effect on our reputation or prospects. For further information on our Group Company, see “**Our Promoter and Group Company**” on page 192.

53. ***Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. The declaration and payment of dividends will be recommended by the Board of Directors and approved by the shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. As on date, our Company has not adopted any formal dividend policy. In the past, we have not made dividend payments to the shareholders of our Company. We may retain all future earnings, if any, for use in the operations and expansion of the 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 and will depend on factors that our Board deems relevant, including our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on shareholders’ investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. For details of dividend paid by our Company in the past, see “**Dividend Policy**” on page 197.

External Risk Factors

Risks Related to India

54. ***The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also

create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

55. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.*

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, financial condition, results of operations, and prospects. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

56. *Significant differences exist between Indian GAAP and IND (AS), on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors' assessments of our financial condition.*

Our financial statements, including the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus, were prepared and presented in accordance with Indian GAAP (for fiscals 2014, 2015, 2016 and 2017 and the six months ended September 30, 2017). We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP and IND (AS). Accordingly, the degree to which the Indian GAAP and IND (AS) Restated Consolidated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

57. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition, results of operations and prospects.*

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, financial condition, results of operations, and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the Government of India and certain State Governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot provide you with any assurance as to this or any other aspect of the tax regime following implementation of the GST including anti-profiteering regulations of the new tax regime and availability of input tax credit ("ITC").

Further, the General Anti-Avoidance Rules ("GAAR") became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefits to an arrangement, among other consequences. In the absence of any such precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business,

financial condition, results of operations, and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

58. *Investors may not be able to enforce a judgment of a foreign court against our Company.*

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

59. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the Reserve Bank of India (the "RBI"). If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Governmental agency can be obtained on any particular terms or at all.

60. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

62. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

Risks Related to the Offer

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

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

64. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

65. *Our Company has issued Equity Shares during the preceding 12 months at a price that may be below the Offer Price.*

Our Company has, in the 12 months prior to filing this Draft Red Herring Prospectus, issued Equity Shares to our Promoter and Chairman and Managing Director, Rahoul Jain, pursuant to a rights issue on December 11, 2017. The price at which our Company has issued the Equity Shares in the preceding one year is not indicative of the price at which they will be issued in the Offer, or traded thereafter.

For further details, see "*Capital Structure – Notes to Capital Structure – Share Capital History*" on page 84.

66. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "*Basis for Offer Price*" on page 106 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

67. ***Any future issuance of Equity Shares, or convertible securities or other equity-linked securities, by us may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “**Capital Structure**” on page 84, we cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

68. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition, results of operations, and prospects may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders’ ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

Prominent Notes:

- Our Company was incorporated as “Capricorn Food Products India Limited” on October 8, 1998, as a public limited company under the Companies Act, 1956, with a certificate of incorporation granted by the RoC, Chennai.
- The initial public offering of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale.
- Our net worth as on September 30, 2017, as per our Restated Consolidated Financial Information and Restated Standalone Financial Information included in this Draft Red Herring Prospectus is ₹ 2,309.22 million and ₹ 2,426.82 million, respectively. See “**Financial Statements**” on page 198.
- The net asset value per Equity Share as on September 30, 2017, as per our Restated Consolidated Financial Information and Restated Standalone Financial Information included in this Draft Red Herring Prospectus is ₹ 79.60 and ₹ 83.68, respectively. See “**Financial Statements**” on page 198.
- The average cost of acquisition per Equity Share by our Promoter as on the date of this Draft Red Herring Prospectus is:

Name of Promoter	Average cost of acquisition per Equity Share (₹)*
Rahoul Jain	8.19

*As certified by R. Subramanian and Company, LLP, Chartered Accountants by their certificate dated February 2, 2018.

For further details, see “**Capital Structure**” on page 84.

- The average cost of acquisition per Equity Share by our Selling Shareholders as on date of this Draft Red Herring Prospectus is:

Name of Selling Shareholder	Average cost of acquisition per Equity Share (₹)*
Rahoul Jain	8.19
Shuchi Jain	8.52
Milestone I	60
Milestone Trust	60

*As certified by R. Subramanian and Company, LLP, Chartered Accountants by their certificate dated February 2, 2018.

For further details, see “**Capital Structure**” on page 84.

- There has been no financing arrangement whereby our Promoter Group, our Directors, and their respective relatives, have financed the purchase by any other person of securities of our Company, other than in the ordinary course of the business of the financing entity, during the six months preceding the date of this Draft Red Herring Prospectus.
- For details of transactions between our Company and Subsidiaries or our Group Company during the last financial year, including the nature and cumulative value of the transactions, see “**Financial Statements**” on page 198.
- For information regarding the business or other interests of our Group Company in our Company, see “**Our Promoter and Group Company**” on page 192.
- Investors may contact the BRLMs or the Registrar to the Offer, for any complaints pertaining to the Offer.
- All grievances in relation to Bids through the ASBA process, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, quoting the full name of the sole or First Bidder, ASBA Form number, Bidders’ DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. Further, all grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The market research process for this study has been undertaken thorough secondary / desktop research as well as Primary research, which involves discussing the status of the market with leading participants and experts. The Research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews by way of primary research as well as from trusted portals, and therefore, the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. This study has been prepared for inclusion in the Prospectus and Offering Memorandum of Capricorn Food Products India Limited in relation to an initial public offering in connection with its listing on one of the leading global stock exchanges.

This report and extracts thereof are for use in the Prospectus and Offering Memorandum issued by the Company and all presentation materials (including press releases) prepared by or on behalf of the Company (and reviewed by Frost & Sullivan) in relation to the Listing exercise.

The company is permitted to use the same in internal and external communications as needed in the context of the Listing exercise. However, no part of the report may be distributed for any other commercial gain to parties not connected with the said Listing exercise. This report has exclusively been prepared for the consumption of Capricorn Food Products India Limited, in terms of our consent letter dated December 11, 2017, and any unauthorized access to or usage of this material by others is forbidden and illegal.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. Our research has been conducted with an "overall industry" perspective, and it will not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be liable for any loss suffered because of reliance on the information contained in this study. This study should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise. This Frost & Sullivan (India) Private Limited report is prepared for our client's internal use, submission, and sharing with the relevant parties as well as for inclusion in the IPO prospectus.

Macroeconomic Overview of India

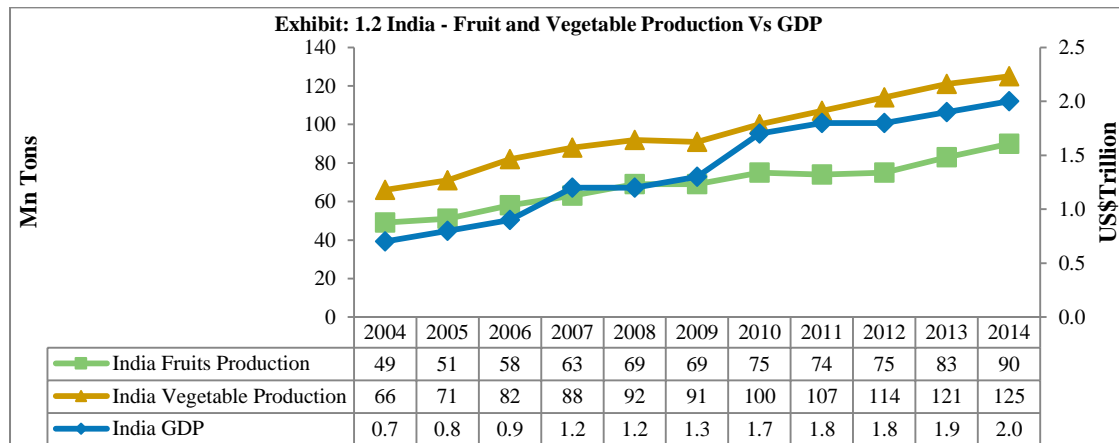
India is the fourth largest economy in the world on the basis of Gross Domestic Product ("GDP") of US\$8.66 trillion (2016 estimates), with the second largest labour force in the world, of 510.1 million (2016 estimates). (Source: CIA World Factbook) The Indian economy grew by 7.1% in fiscal 2017 (estimates), compared to 7.6% growth for fiscal 2016. (Source: Central Statistics Office, Government of India)

Macro Overview

Global Overview – Fruits and Vegetables ("F&V")

Global F&V production witnessed a compound annual growth rate ("CAGR") of 2.7% and 2.9% respectively over 2004-2014. During the same period, global population grew at approximately CAGR 1.2%. Higher growth in F&V production compared to population growth is a positive sign towards food security.

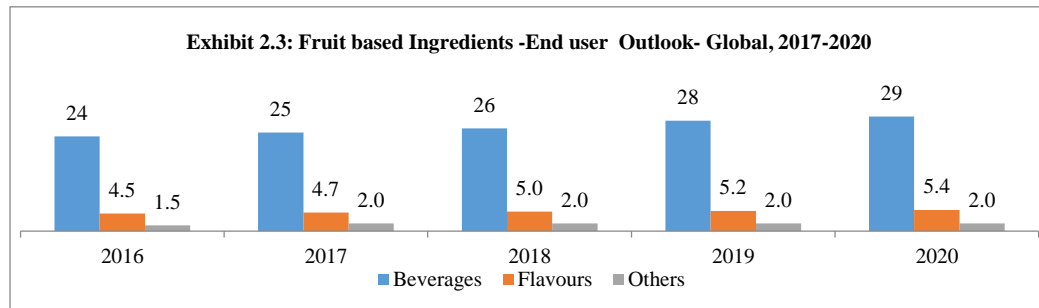
India Overview – F&V



F&V production in India witnessed a CAGR of 6.4% and 6.7% respectively over 2004-2014 while population grew at approximately CAGR 1.4%. During the same period, F&V production in India grew at a higher rate than global production. Improved farm practices, high yield seeds and logistics are key factors contributed to increased production in India.

End-user Outlook - 2017 and 2020, and Key Factors

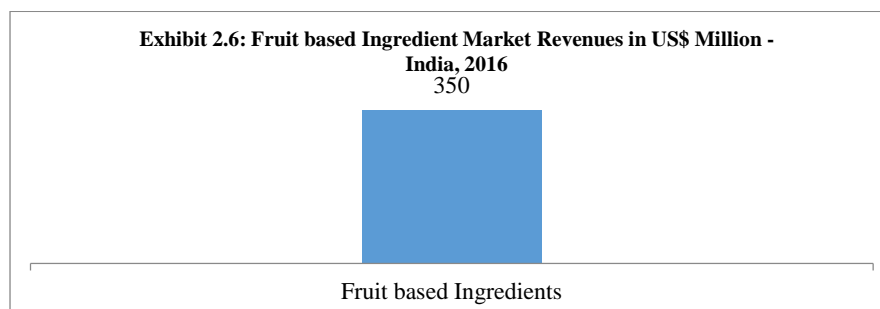
Beverages constitute the biggest application segment of the global fruit-based ingredients market owing to the increasing consumption of fruit drinks globally.



Others include dairy, preserves, soups and sauces and RTE foods

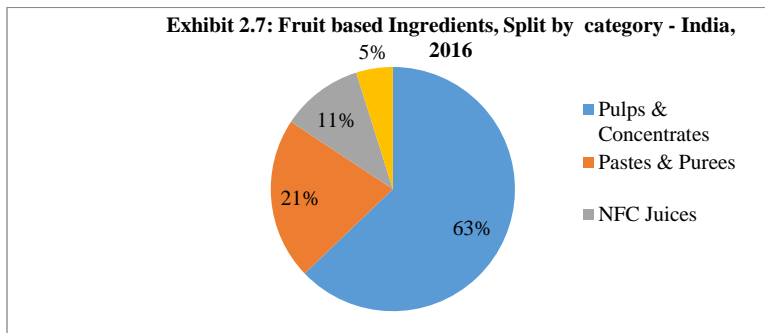
India

Market Size for Fruit-based Ingredients



India is one of the largest producers of F&V in the world. However, a large part of the industry is focused on exports. Domestically, the fruit-based ingredients market is valued US\$ 350 Million in 2016; is likely to touch US\$ 645 million by 2020 at a CAGR of 13.6%.

Market Segmentation by Category for Fruit-based Ingredients

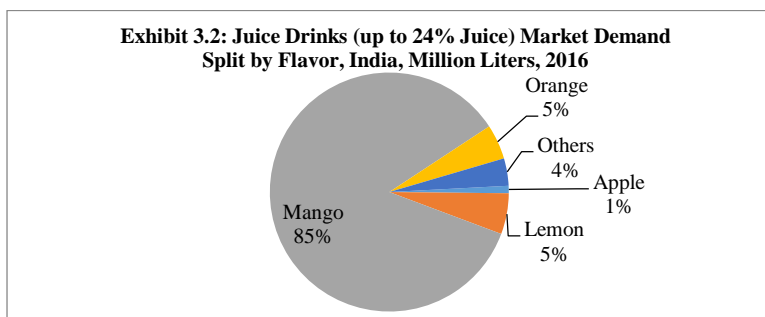
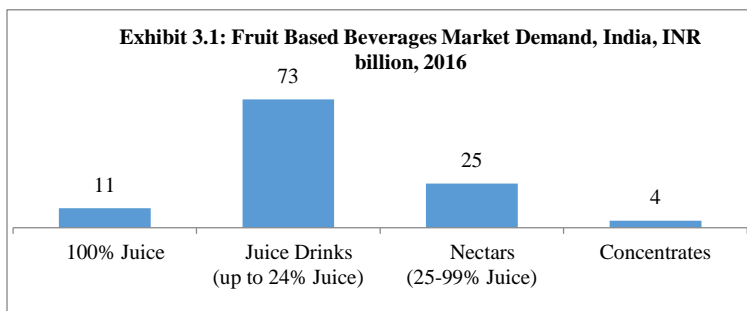


Fruit pulps and concentrates form the most significant fruit-based ingredients category in India. They are used primarily in dairy, soups and sauces and beverages industries. The fruit-based beverage industry is the biggest consumer of Indian fruit pulps and concentrates. The supply of these products is fairly consolidated, with the top two players being Jain Farm Fresh and Capricorn Group. Capricorn group is the second largest player in fruit-based ingredients supplier in India by virtue of being the largest supplier tomato pastes and purees and the second largest supplier of mango pulps and concentrates. Additionally, Capricorn is also the largest exporter of mango pulps and concentrates from India. In India, there is considerable demand for tomato paste and puree due to extensive consumption in the Indian food service industry. Usage of F&V pulp based ingredients in NFC juices, although at a nascent stage compared to the global market, is also gaining momentum.

Fruit-based Beverages

India

Market Size for Fruit-based Beverages



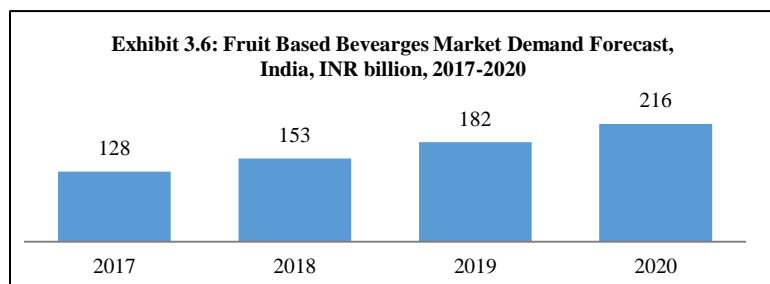
Under the largest category of juices with up to 24% juice, mango is the most sought after flavor. This has been identified as a unique market characteristic as nowhere else in the world a single flavor has approximately 85% share.

Market Share of Top Competitors

With carbonated drinks being perceived as unhealthy, companies manufacturing these have added the juices segment in their portfolio providing a large variety of options for consumers and driving growth. Traditional

Indian companies such as Dabur and Hamdard (Wakf) Laboratories have also increased sales aggressively, seizing this opportunity. The organized market remains highly consolidated with top 4 players accounting for over 80%. Long established, widespread distribution networks and popularity throughout India have been the primary reasons for multinational companies like Coca-Cola and PepsiCo to dominate the market. Coca-Cola plans to make 'Maaza' a US\$ 1 billion brand. Similarly, Parle is looking to increase penetration with new marketing strategies.

Demand Forecast, and Key Factors

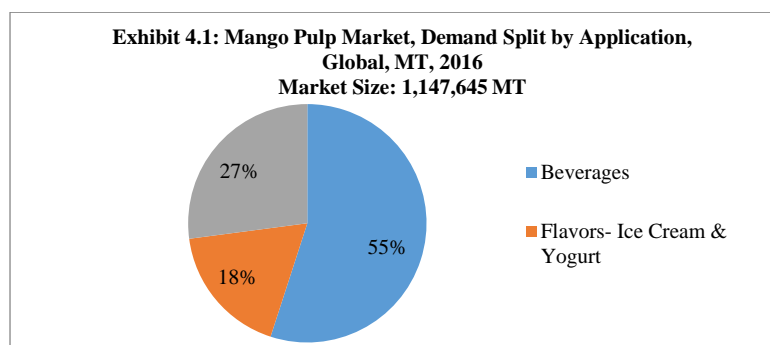


Mango Pulp and Concentrate

Global

Market for Mango Pulp and Concentrate

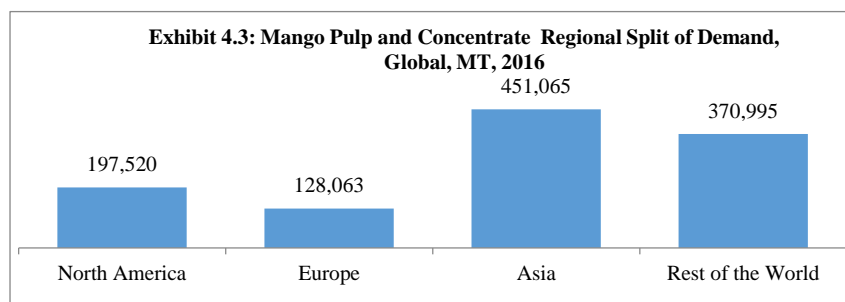
The global market for Mango pulp and concentrate was valued at US\$ 980 million. The uniqueness of the Mango fruit with respect to color, taste texture and aroma are qualities that have made usage of mango pulp and concentrate across application a desirable factor. The market for mango pulp globally is estimated to be over 1.145 Million Metric Tons (on a single strength basis) with over 50% used for beverage production.



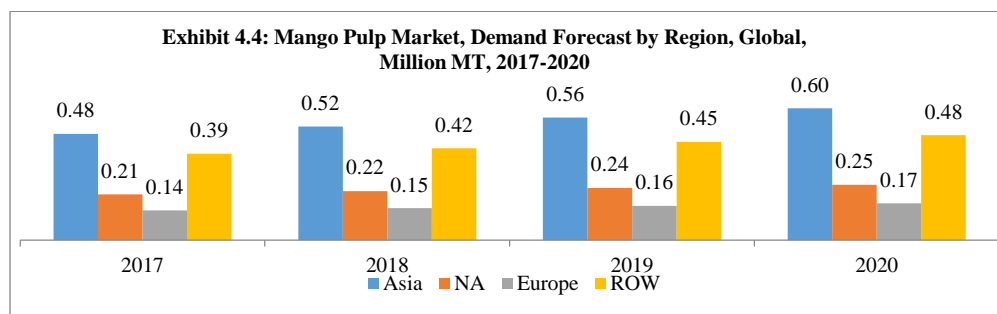
Others include usage in Bakery and Snacks, Infant Foods, Sauces and Dressings etc.

The global mango-based beverages market is greater than US\$ 15 billion and juice segments that have up to 25% fresh juice content grew by 63% in the last five years in Asia. The increasing trend toward natural and healthy drinks has accelerated growth for mango beverages as against carbonated drinks in developed countries, especially in Europe.

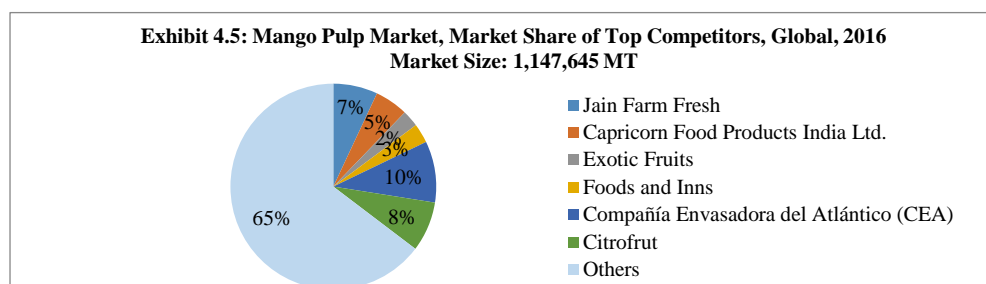
Market Segmentation for Mango Pulp and Concentrate by Region



End-user Outlook, and Key Factors



Market Share of Top Competitors for base year 2016

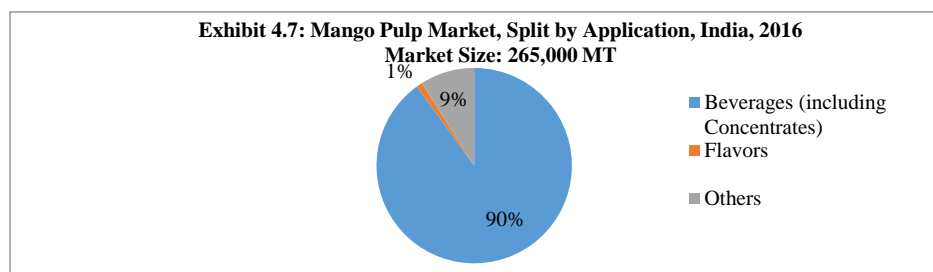


Others include companies like, Kevian, Bakhresa, Juhyana Food Industries and faragalla etc.

India being one the largest producing countries many major players happen to be from here. Mexican players export large quantities to the US. There are numerous manufacturers globally, many also forward integrated; therefore, clear segregation of market share is difficult at a global level. At a multinational level there is ~30% held by large scale players, 45-50% are regional level players and the rest is catered by local players. Capricorn Food Products has good global presence and is among the top exporters from India. In mango pulps and concentrates, Capricorn is the second largest supplier in the world. Globally, they are among the key multinational players and have an overall market share of 5%.

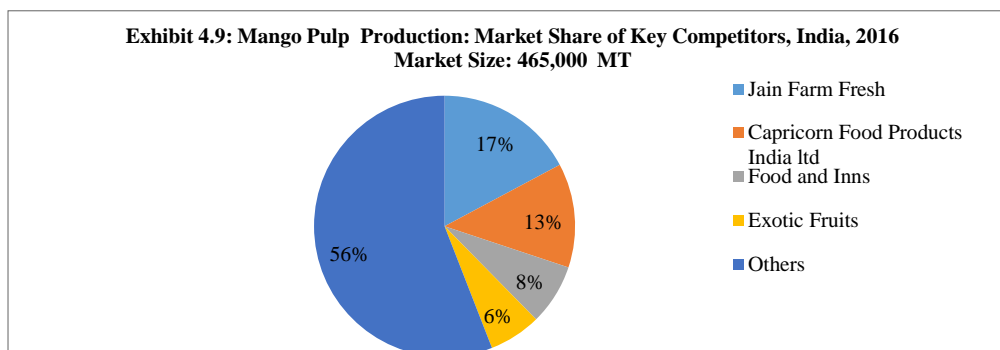
Market Size for Mango Pulp and Concentrate

	Production (MT)	Import (MT)	Export (MT)	Domestic Demand (MT)
Mango Pulp (Single Strength), 2016	465,000	0	200,000	265,000



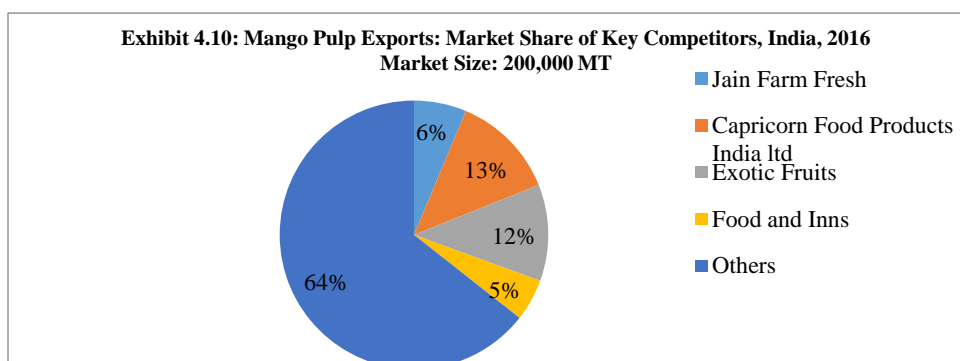
India is the world's largest producer of mango pulp and commands over 40% of global mango pulp market. Since mango pulp is one of the most important ingredients, the Middle East forms the largest export destination for pulp from India. Exports to Europe have been seeing a decline due to increased norms and competition from other regions like Philippines, China and Brazil. Of the mango pulp consumption, 90% is for beverages segment as other applications like infant foods, dressings etc. are still evolving. Usage in ice creams is also a growing segment where consumers still look at trade-offs between using fresh mango versus mango pulp. Unlike anywhere in the world, mango-based beverages contribute over 80% of the fruit drink flavors in India.

Market Share of Top Competitors



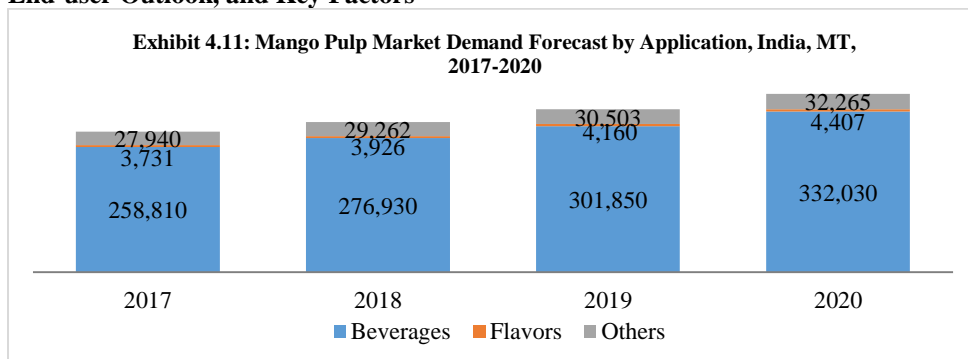
Others include Companies like Mother Dairy, Allana Sons, Galla Foods etc.

Exports of Mango Pulp and Concentrate from India



Others include Companies like Mother Dairy, Allana Sons, Galla Foods etc.

End-user Outlook, and Key Factors



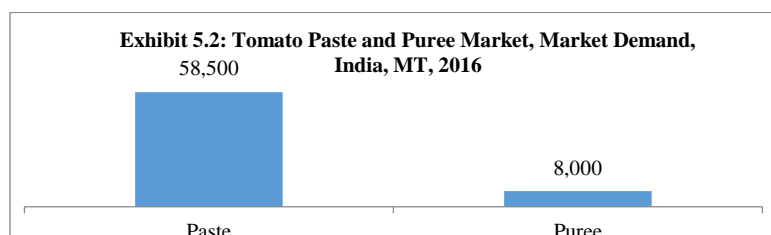
Mango pulp is mainly used in manufacturing beverages (juices, nectars, multi-fruit beverages). It is also used as a flavoring ingredient in processed food products such as ice cream and bakery items. Mango pulp is also used in manufacturing jams, jellies and confectionery. The consumption of mango pulp in the beverages industry is expected to reach 332,030 MT in 2020, growing at a CAGR of 8.6%. Meanwhile consumption in flavors and application in jams jellies etc. are expected to experience a CAGR of 13% and 7.8% respectively. Intensifying competition between beverage suppliers would call for more innovative flavors.

Tomato Paste/Puree

India

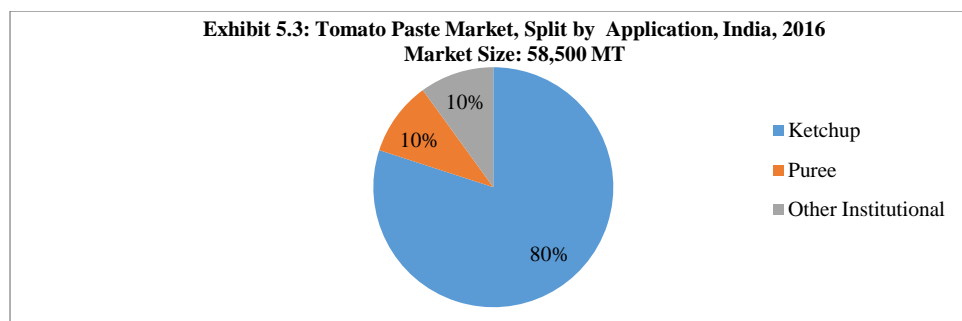
India produces more tomatoes than most countries globally but processing is below the global average of 26%. India processes less than 1% of tomatoes as consumers prefer using direct fresh product over a processed option. Also, unlike tropical fruits, tomato is not seasonal and is available all through the year; although recently fluctuations in tomato pricing have made people seek stable processed options.

Market Size for Tomato Paste and Puree



Approximately 40,000 MT of tomato paste is produced by Indian companies and some amount is imported from China and other countries. Imported pastes have the desired color and density required by large ketchup brands. Demand for tomato puree is extremely low compared to tomato paste. However, in June 2016, demand for tomato puree shot up to 40% as there was a sudden increase in the price of fresh tomatoes. Globally, India is not a significant player in the tomato paste market. India's share in the world production is just 1%. It is noteworthy to mention that India's production of processed tomato has risen by 50% within a short span. With fluctuating fresh tomato prices, consumers are switching over to processed puree even in the retail market.

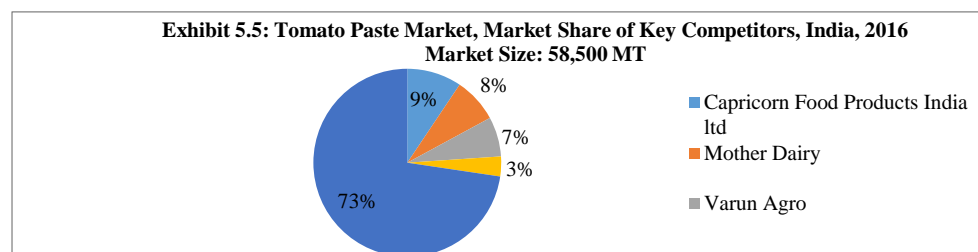
	Production in MT	Import in MT	Export in MT	Domestic Demand in MT
Tomato paste (2016)	40,000	20,000	1,500	58,500



Others include applications in Pizza, Pasta and tomato substitutes for HORECA, etc.

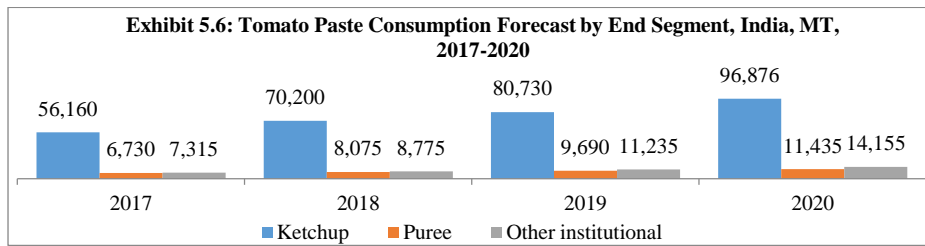
Market Share of Top Competitors

Others include Foods and Inns, Galla Foods, BEC Foods etc.



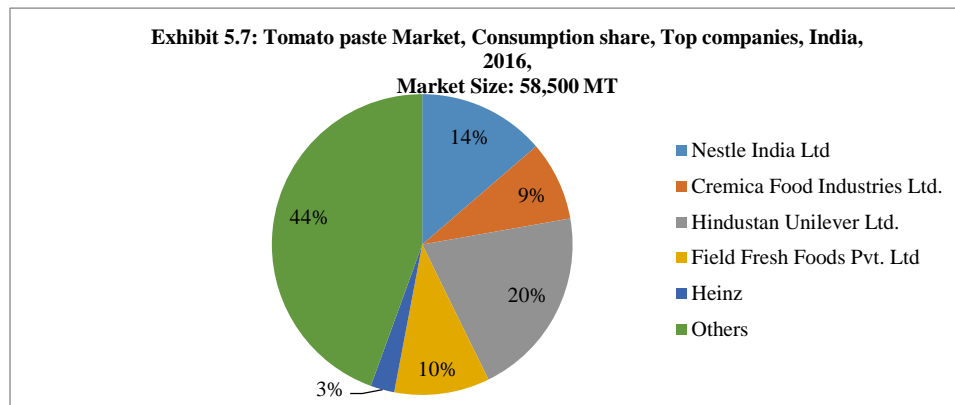
Like other basic food processing industries, tomato paste processing comes under SSI. Ease of processing and availability of raw materials across regions has supported many small volume processors to set up production. Many of these processors also do seasonal processing of fruits and other vegetables, as standalone tomato processing is not a viable business. Capricorn Food Products is the largest suppliers of tomato paste in the merchant market and holds number one position with market share of 9%. Depending on a single or limited line of business is not advisable in the F&V processing area. Hence most small scale companies have diversified portfolios and depending on availability of required raw materials, switch to products with better margins.

End-user Outlook, and Key Factors

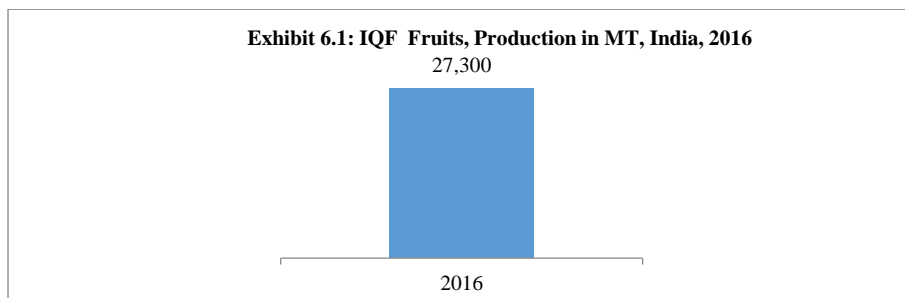


Individually Quick-Frozen Fruits(IQF)

India

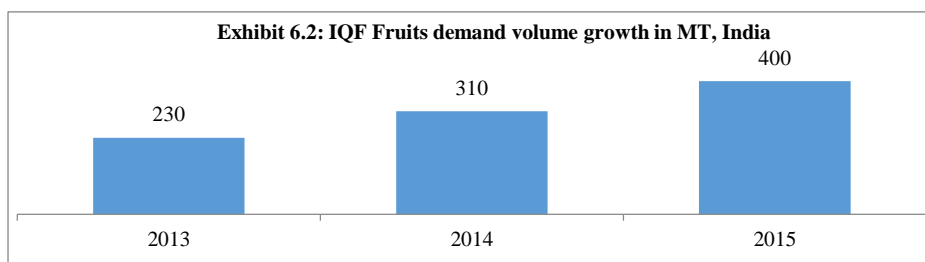


Market for IQF Fruits for base year 2016

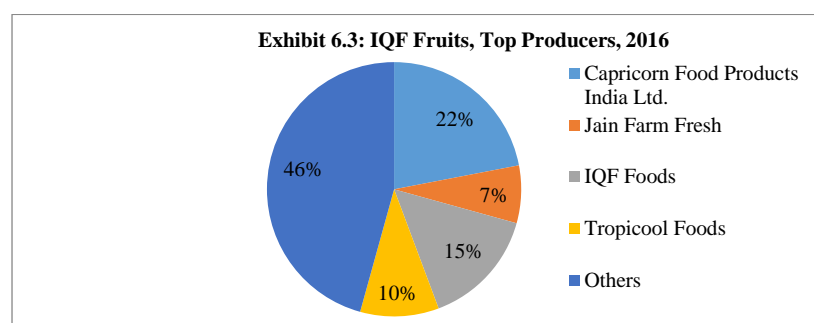


Trade Statistics of Indian IQF fruits (2016)

	Production in MT	Import in MT	Export in MT
IQF Fruits	27,300	40	26,840

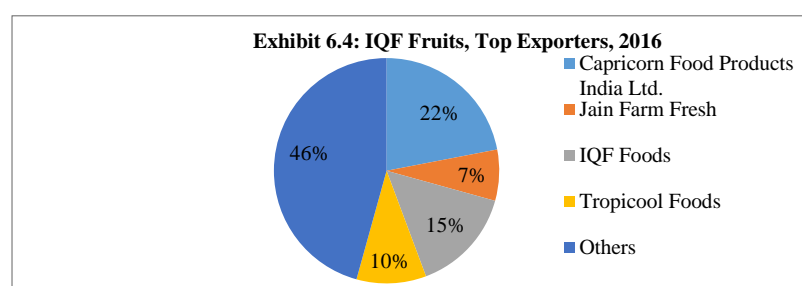


Market Share of Top Competitors for base year 2016



Others include B.Y. Agro & Infra Ltd, Vadilal, Industries Ltd, Srini Food Park, Foods and Inns, etc.

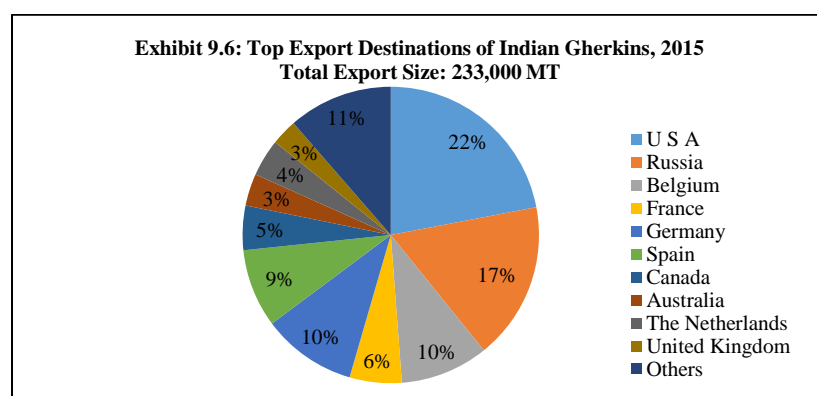
The Indian IQF fruits segment is considerably consolidated, compared to the vegetable segment. Small-scale players account for over 40% of total supply. The major categories of IQF fruits globally include red fruits, berries, mango, papaya, kiwi and others (guava and pomegranate). Capricorn Food products is the largest producer of IQF fruits in India with 22% of the production and is also the largest exporter of IQF with 22% of total exports. Other major producers and exporters include Jain Farm Fresh, IQF foods and Tropicool Foods.



Others include B.Y. Agro & Infra Ltd, Vadilal, Industries Ltd, Srini Food Park, Foods and Inns, etc.

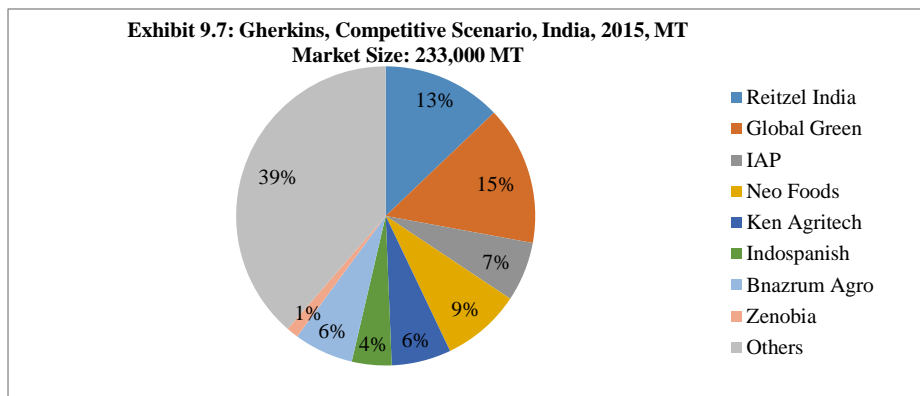
Gherkins

Gherkin Exports From India



Others include Poland, UAE, Iraq, Saudi Arabia etc.

Gherkins, Competitive Scenario, India



Others include Koeleman India, Exotic Agro, Vishaal Naturals, Green Agropack etc.

Rietzel, Global Green and IAP (Marqatus) sell primarily to their counterparts in European and US markets. Reitzel sells to other Rietzel companies globally. Global Green sells primarily to Intergarden N.V., its European subsidiary and Global Green USA Ltd. IAP (Marqatus) has exports of 35,000-40,000 MT, of which only 15,000 MT is produced in-house, and the remainder is aggregated from smaller players and sold to Marqatus companies in the US and Europe. As a result, their share of supply is only 15,000 MT. Typically 20-25% of exports are considered captive, as it is sold directly to group companies of the exporter in the target regions. Only 75-80% is typically the merchant market for exports. Of this, the larger companies (that focus wholly on the merchant market) are Neo Foods and Ken Agritech. However, these companies currently have limited direct sales to customers such as Unilever and Bay Valley and retail chains such as Wal-Mart and Costco. Over 60-70% of exports from these players are to traders who sell to customers and retail chains. As a result, realisation on exports for these players is lower than for competitors such as Zenobia Agro. Despite capacity of 10,000 MT, the company as a policy sells only direct to end-users, thereby protecting its profit margins. While Zenobia Agro exported only 3,000 MT in 2015, it is considered one of the more profitable companies in the Indian gherkins industry.

SUMMARY OF BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “**Forward-Looking Statements**” on page 15 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*The industry data in this section has been extracted from the report dated November 20, 2017, titled ‘Market Opportunity Analysis for Fruit and Vegetable based Ingredients in India’, prepared by Frost & Sullivan (the “**Frost & Sullivan Report**”). Neither we, nor the Selling Shareholders, the BRLMs, nor any other person connected with the Offer has independently verified this information.*

Unless otherwise stated, references in this section to “we”, “us”, or “our” (including in the context of any financial or operational information) are to our Company, along with our Subsidiaries, on a consolidated basis.

*To obtain a complete understanding of our business, prospective investors should read this section in conjunction with “**Risk Factors**”, “**Industry Overview**”, and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 17, 113 and 267, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

Overview

We are the second largest fruit based ingredients supplier in India. In mango pulps and concentrates, we are the world’s fourth largest supplier, with an overall market share of approximately 5% and India’s second largest manufacturer with approximately 13% volume share in 2016. We are also the largest exporter of mango pulps and concentrates from India, with approximately 13% share of global market production volumes in 2016. We are India’s largest supplier of tomato paste and puree with approximately 9% volume share in 2016. We are also India’s largest producer and exporter of individually quick frozen (“**IQF**”) fruits with approximately 22% volume share in 2016. (Source: Frost & Sullivan Report)

While our primary product has been mango pulp and concentrates, over the years, we have diversified into other fruit pulps, including not from concentrate (“**NFC**”) and concentrates derived from guava, banana and papaya; tomato paste and puree; IQF fruits and vegetables; and other fruit and vegetable blends, crushes and processed products, including gherkins.

In fiscal 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products (including other processed fruits and vegetables like guava, gherkins, banana and papaya), aggregated to ₹ 2,959.47 million, ₹ 304.49 million, ₹ 477.17 million and ₹ 561.77 million, accounting for 68.78%, 7.08%, 11.09% and 13.06% respectively, of our revenue from product sales. In the six months ended September 30, 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products, aggregated to ₹ 1,548.92 million, ₹ 102.89 million, ₹ 293.52 million and ₹ 329.04 million, accounting for 68.10%, 4.52%, 12.91% and 14.47% respectively, of our revenue from product sales, in this period.

We have a strong presence in the export as well as the domestic markets, with our export and domestic sales accounting for 54.95% and 45.05% of our revenue from product sales for fiscal 2017, and 49.54% and 50.46% of our revenue from product sales in the six months ended September 30, 2017, respectively. In fiscal 2017, we catered to over 40 countries across Europe, Middle East, Asia Pacific, Africa and North America.

We supply fruits and vegetables based ingredients to over 300 customers including branded fruit based beverages companies, processed food producers, companies selling ice cream and bakery items, frozen foods and companies selling frozen fruits and vegetables.

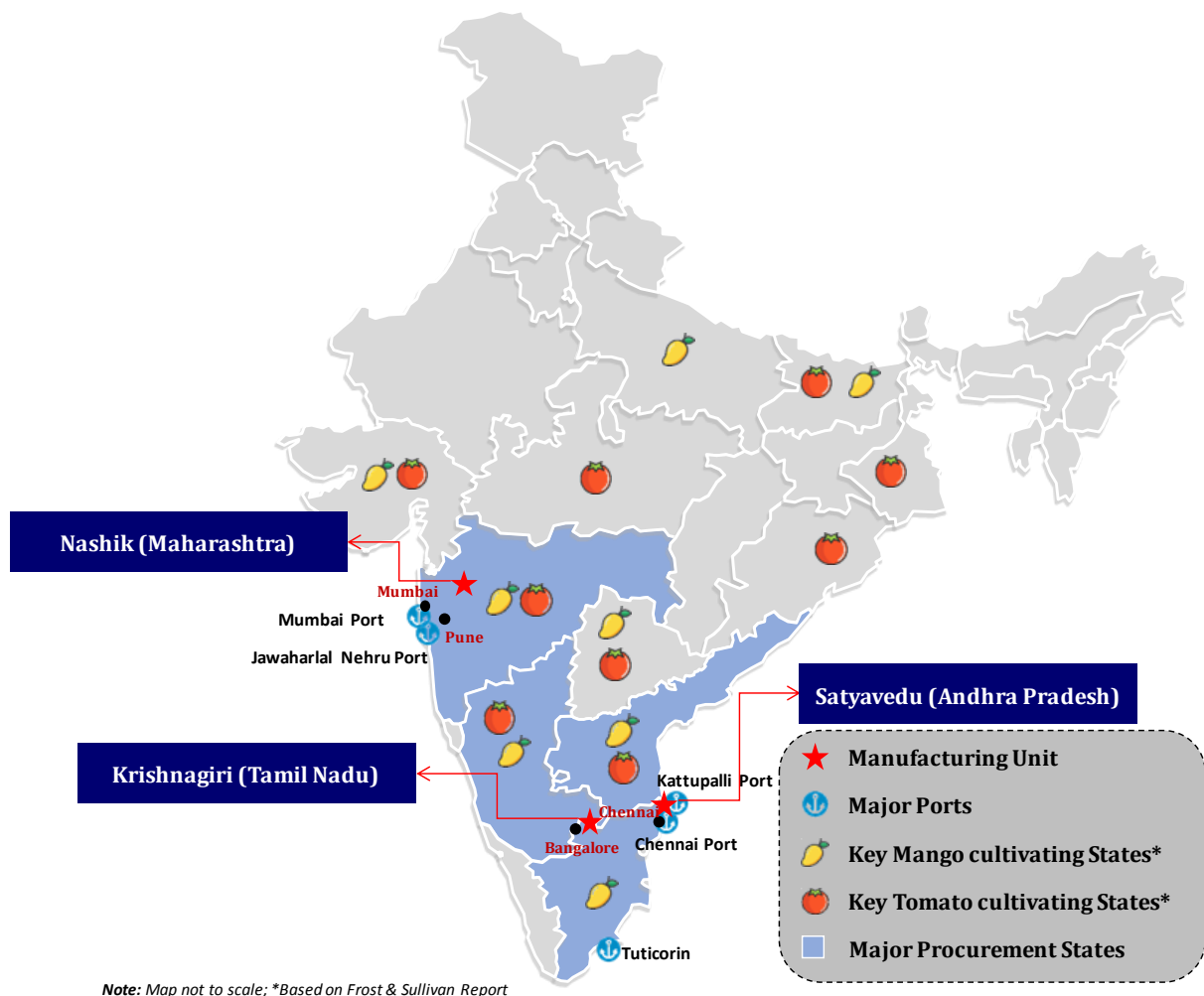
We have long-standing relationships with several marquee global and Indian companies, supplying ingredients to them directly and to their suppliers. In fiscal 2017, approximately, 78.93% and 62.12% of our revenue from domestic and export sales, respectively, was derived from repeat customers, i.e., to which we have made uninterrupted supplies within the last three years.

Our major domestic customers include multinational companies such as Coca-Cola India Private Limited, which has been our customer for approximately 12 years, and Varun Beverages Limited, one of the largest franchisees in the world (outside the US) of carbonated and non-carbonated beverages sold under the trademark owned by PepsiCo, which has been our customer for approximately 10 years. In the domestic market, we also supply to Manpasand Beverages Limited, Cremica Food Industries Limited, FieldFresh Foods Private Limited, Hector Beverages Private Limited and certain multinational companies.

Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

We commenced operations in 1998 and as of the date of this Draft Red Herring Prospectus, we have three multi-functional production facilities, strategically located in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra, which are high fruit and vegetable cultivating states, in addition to being major seaports. We have three IQF tunnels and five blast freezers, across our production facilities, and are in the process of installing another IQF tunnel and two more blast freezers.

In addition to our production facilities, we also use two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh to cater to increased demand during peak seasons, under arrangements with third party manufacturers. The following map indicates our production facilities:



We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra.

We place significant emphasis on quality control and safety at each step of the production process, and have obtained several quality control and other certifications and accreditations for our facilities and products, as described under “- **Quality Control**” on page 162. Among other awards, we have received the SME2 Business Excellence Award from Dun and Bradstreet in 2015.

Our Promoter, Chairman and Managing Director, Rahoul Jain, was recognized as the ‘Entrepreneur of the Year’ by TiE in 2013, the ‘SME Business Excellence Award’ at the ‘Karur Vysya Bank - Dun & Bradstreet SME Business Excellence Awards, 2015’ and was nominated in 2013 as “India’s Emerging Entrepreneur” during the Emerging India Awards. In addition to his overall supervision of our operations, Rahoul Jain heads business development and manages key client relationships. Shuchi Jain, our whole time director, heads our human resources and administrative functions. Both Rahoul Jain and Shuchi Jain have been involved with our Company since its incorporation, and have over 18 years of experience in this business.

Over the years, we have established a track record of strong financial performance and growth. Our total revenues has increased at a CAGR of 13.61% from ₹ 3,142.31 million in fiscal 2014 to ₹ 4,607.86 million in fiscal 2017. Our earnings before interest, tax, depreciation and amortization (“**EBITDA**”) increased at a CAGR of 23.49% from ₹ 442.16 million in fiscal 2014 to ₹ 832.66 million in fiscal 2017. Our profit after tax (“**PAT**”) has increased at a CAGR of 22.64% from ₹ 124.70 million in fiscal 2014 to ₹ 230.04 million in fiscal 2017.

Competitive Strengths

Leading player in the fruits and vegetable processing industry with a wide array of products

We are the second largest fruit based ingredients supplier in India. In mango pulps and concentrates, we are the world’s fourth largest supplier with an overall market share of approximately 5% and India’s second largest manufacturer with approximately 13% volume share in 2016. We are also the largest exporter of mango pulps and concentrates from India, with approximately 13% share of global market production volumes in 2016. We are India’s largest supplier of tomato paste and puree with approximately 9% volume share in 2016. We are also India’s largest producer and exporter of IQF fruits with approximately 22% volume share in 2016. (*Source: Frost & Sullivan Report*)

While our product offerings were comprised of mango pulp and concentrates, over the years, we have diversified into a wide range of other products including other fruit pulps, including NFC and concentrates, including guava, banana and papaya; tomato paste and puree; IQF fruits and vegetables; and other fruit and vegetable blends, crushes and processed products, including gherkins.

In fiscal 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products (including other processed fruits and vegetables like guava, gherkins, banana and papaya), aggregated to ₹ 2,959.47 million, ₹ 304.49 million, ₹ 477.17 million and ₹ 561.77 million, accounting for 68.78%, 7.08%, 11.09% and 13.06% respectively, of our revenue from product sales. In the six months ended September 30, 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products, aggregated to ₹ 1,548.92 million, ₹ 102.89 million, ₹ 293.52 million and ₹ 329.04 million, accounting for 68.10%, 4.52%, 12.91% and 14.47% respectively, of our revenue from product sales, in this period.

Our diversified product portfolio provides us with the flexibility to operate successfully across business cycles, mitigate seasonality risk, and helps us serve a range of consumers, from multinational companies to emerging market players. We undertake in-house research and development activities, on our existing products and in areas we consider to have significant growth potential, based on feedback from our customers and our perception of the market in general.

Our ability to identify market trends and develop, produce and sell new products and product variants has contributed to the growth and diversification of our business. Towards this end, our production facilities are designed in a manner that they are capable of processing multiple fruits and vegetables for varied end-use applications, including juices, pulps, purees and concentrates at varying levels of concentration, or cut fruit and vegetables in different size and other specifications, for use in products such as flavoured yoghurts and drinks, aligned with our consumers’ evolving preferences and emerging market trends.

For example, we have developed new varieties of mango purees and concentrate, tomato crush and multi-fruit blends for certain customers. We have developed guava IQF for one of our multinational customers, which are

sold by our customers to the end-users. We have also developed IQF coconut dices and Alphonso mango chunks, for our customers in the ice cream industry.

Strong relationships with the large and emerging global and Indian companies and brands

We supply fruits and vegetables based ingredients to over 300 customers including branded fruit based beverages companies, processed food producers, companies in ice cream and bakery items, frozen foods, companies selling frozen fruits and vegetables. Our domestic and export customers contributed to 45.05% and 54.95%, respectively, of our revenue from production sales in fiscal 2017.

We have long-standing relationships with several marquee global and Indian companies, supplying ingredients to them directly and to their suppliers. We benefit from our long association with these customers, including in terms of our adoption of stringent quality controls and industry best practices such as sustainable farming and raw material traceability, which certain of our marquee customers expect of us. Moreover, our diversification of revenues across multiple customers throughout several geographies allows us to prevent or mitigate any possible concentration in any customer segment or geography.

Our major domestic customers include multinational companies such as Coca-Cola India Private Limited, which has been our customer for approximately 12 years. We also supply our products to Varun Beverages Limited, one of the largest franchisees in the world (outside the US) of carbonated and non-carbonated beverages sold under the trademark owned by PepsiCo, which has been our customer for approximately 10 years. We also supply to Manpasand Beverages Limited, Cremica Food Industries Limited, FieldFresh Foods Private Limited, Hector Beverages Private Limited and certain other multinational customers.

In fiscal 2017, approximately 78.93% and 62.12% of our revenue from domestic sales of products and export sales of products, respectively, was derived from repeat customers, i.e., to which we have made uninterrupted supplies within the last three years.

Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

Our success in leveraging our strong customer relationships is illustrated in the growth of our business over the years. Our total revenues have increased at a CAGR of 13.61 % from ₹ 3,142.31 million in fiscal 2014 to ₹ 4,607.86 million in fiscal 2017.

Strategically located multi-functional production facilities with quality certifications

All our production facilities are strategically located in high fruit cultivating belts and also enjoy close proximity to major seaports. We have three multi-functional production facilities, located in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra. In addition to our production facilities, we also use two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh to cater to increased demand during peak seasons, under arrangements with third party manufacturers.

The location of our production facilities in and around agricultural belts in Andhra Pradesh, Tamil Nadu and Maharashtra, allows cost efficiencies in our procurement and transportation of raw materials, as well as in transportation of our processed products (including to ports and delivery locations in Chennai and Mumbai), enabling us to reduce our operating costs and leverage economies of scale. In addition, our proximity to high cultivation belts, and our resulting control over our procurement process, allows us to ensure traceability from raw material to supplied product, and to carry out appropriate testing of product samples, which also enables us to assure our customers of certain product specifications.

Our multi-functional equipment allows us to scale our business, as we may be able to test and commence processing different products and product variants, without incurring significant incremental costs for each such new product or product variant launch. Our production facilities are automated, with the flexibility to process large volumes of multiple fruits and vegetables to multiple specifications (including different fruits and vegetables cut into different sizes, or pulped and strained into different consistencies, or concentrated into different levels of concentration), based on our consumers' requirements and the availability of raw materials. We would focus on improving capacity utilization at our production facilities, including outside of the peak season, through increase

in our overall production volumes as well as diversification of our product portfolio, to include a larger share of non-mango fruit and vegetables products and value added products.

Our modern equipment includes certain specialized equipment. For instance, we have also introduced the hot break system to produce high viscosity pulp or paste, or concentration at various Brix levels as per customer specifications (Brix being the parameter based on which the solid content of a solution is measured, with the solid content rising with the degree of concentration), as well as a colour sorter, and a dedicated line for tomato pastes and derivative products, at our facility in Nashik, Maharashtra.

We have received various quality certifications for our production facilities, including from some of our multinational customers, as described under “- **Quality Control**” on page 162.

Large scale procurement and storage capabilities

We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra. To lead this initiative, we have two senior agronomists on our rolls.

Our procurement model and relationships with farmers, aggregators, collection centers and other vendors, through our continued engagement, as well as the knowledge and infrastructure support we provide to farmers, including initiatives on soil fertility, pest management, enables us to procure adequate supplies of quality fruits and vegetables at competitive prices. Moreover, the size and geographical coverage of our procurement model enables us to negotiate better terms including bulk discounts, avoid reliance on any limited set of vendors, and implement economies of scale, as well as to stabilize procurement costs in fluctuating demand and supply conditions. We also engage with farmers for sustained procurement of various fruits and vegetables, as part of which we provide farmers with knowhow on sustainable farming initiatives.

To support our large scale procurement, we have also equipped our production facilities with ripening chambers, where we have facilities for natural ripening, as well as ethylene-induced natural ripening. Our production and storage warehouses adhere to strict standards on food safety and hygiene, operated under process control systems that help maintain a pre-determined temperature for different products, from ambient to chilled and frozen. Our production facilities at Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra, have storage capacities of 19,984 MT, 22,315 MT and 11,700 MT, respectively, spread over 106,588 sq. ft., 113,528 sq. ft. and 69,595 sq. ft., respectively. This allows us to procure and process large volumes of fruits and vegetables at a time, including during off-peak seasons, while also managing concerns such as spoilage, or supply of unripe or over-ripe fruit and vegetable products or product variants to our customers.

Experienced Promoter and management team

Rahoul Jain, our Promoter, Chairman and Managing Director, was recognized as the ‘Entrepreneur of the Year’ by TiE in 2013, the ‘SME Business Excellence Award’ at the ‘Karur Vysya Bank - Dun & Bradstreet SME Business Excellence Awards, 2015’ and was nominated in 2013 as “India’s Emerging Entrepreneur” during the Emerging India Awards. In addition to his overall supervision of our operations, Rahoul Jain heads business development and manages key client relationships. Shuchi Jain, our whole time director, heads our HR and Administrative functions. Both Rahoul Jain and Shuchi Jain have been involved with our Company since its incorporation, and have experience of over 18 years in our business.

In addition to our Promoter, we have a dedicated management team, including our key managerial personnel, Ramesh Narayanan, our Chief Financial Officer, B.S. Parmar, President, Marketing, Ganesh Babu K, Vice President, Operations and Mythili Girish, Company Secretary.

For further details, see “**Our Management - Key Management Personnel**” on page 189.

Our Strategies

Maintain market leadership and improve our market share in India and internationally

We are the second largest fruit based ingredients player in India, the second largest player in mango pulp and concentrates market both in India and overseas, India's largest supplier of tomato paste and puree and India's largest producer and exporter of IQF fruits.

We continue to focus on maintaining our market leadership and increasing our market share in India as well as export markets, supported by growing demand, our procurement capabilities, strategically located multi-functional fruit and vegetable processing facilities, diversified product portfolio and strong customer relationships.

Within India, we are exploring opportunities to expand into newer markets, particularly in northern India. As part of our expansion strategy, we are looking for opportunities to develop a processing unit in northern India, either directly or through a joint venture. Our planned expansion into northern India is intended to provide us with access to a wider basket of fruit products, including litchi, peach, citrus fruits, strawberry, apples and berries.

We plan to explore and increase our penetration in select export markets, such as Africa, Vietnam and certain South American countries. For instance, we may explore enhancing our product portfolio by increasing export revenues from products such as gherkins, which are popular in overseas markets. To support this initiative, we may also explore different processing techniques and/or different packaging formats for our products to cater to varied customer specifications.

Continue to diversify our product portfolio

We will continue to expand our product portfolio providing a wide variety of offerings to our consumers, thus increasing our revenues and economies of scale over time. Our strategy is also to diversify into products with higher demand potential and higher margins.

We have forayed into value added products to cater to evolving consumer preferences and capitalize on emerging trends. For instance, we have started supplying new products such as IQF guava dices, strawberry crush, and coconut water concentrate.

Leveraging our multi-fruit/vegetable processing capabilities, we have a pipeline of varied new products under development, that we would seek to commercialize as and when we perceive a market opportunity in the future, including the launch of tomato-based products such as sauces and ketchup; new IQF products, such as vegetables, banana, pomegranates and grapes; other speciality products such as cooking sauces; crushes and blends with a mix of different fruits; customization of puree/concentrate grades along with frozen capabilities; and spray dried fruit and vegetable powders as well as coconut water concentrate and other derivatives to our customers.

We intend to cross-sell and widen the range of products we currently supply to our various customers, particularly our marquee multinational and other large customers, in order to evolve into strategic or preferred supply partners and to develop new products and product variants to support the launch of their end products.

Achieve inorganic growth through strategic acquisitions or investments

In addition to our organic growth over time, we intend to explore inorganic expansion by selectively identifying strategic acquisition, investment and collaboration targets operating in businesses that may be complementary to ours, allowing us to consolidate our market position, expand and diversify our product portfolio, increase our market reach, and improve our economies of scale.

In exploring inorganic growth opportunities, we would evaluate, positive supply-side dynamics, as well as a large addressable market for the sale of such products. For instance, India is the largest exporter of gherkins in the world. In 2015, India exported 233,000 MT of gherkins, which accounted for approximately 28% of total global gherkins supply. Europe is the second largest market for gherkins, with a market size of 370,000 MT, second only to North America, with a market size of 400,000 MT. Both these markets rely primarily on gherkin imports, on account of low local cultivation of gherkins. (Source: Frost & Sullivan Report)

Therefore, while we have recently entered into sales of gherkins procured by us, as part of our inorganic growth strategy, we propose to acquire a company that supplies gherkins, primarily for private label sales to large retail chains in Europe. Subject to due diligence and various other conditions precedent, we may enter into definitive agreements for such acquisition. We continue to keep evaluating such acquisition and / or investment opportunities that provide us access to high growth product categories and / or new markets.

Capitalize on the growth opportunities in the Indian domestic and exports fruit and vegetable processing sector

We are well-positioned to capitalize on the growth opportunities, due to strong supply-side dynamics. In 2014, India accounted for approximately 10.8% and 12% of global fruit and vegetable production in volume, respectively, and 11.4% and 13.9% of the global area harvested for fruit and vegetable, respectively. In fruits, India is the global leader in mango, papaya and guava production, and is a dominant producer of banana and a mix of other fruits, such as pomegranate, custard apple, sapodilla, and others. In vegetables, India is the global leader in okra production, and is a dominant producer of cauliflower, eggplant, onions, and peas, among others. (Source: Frost & Sullivan Report)

Due to the dearth of technological know-how, research activities, storage and logistics (cold chain), only a very small portion of the local fruits and vegetable produce is processed in the country. This provides us significant growth opportunities to capitalize upon considering our market position, procurement and processing capabilities, scale of operations and infrastructure built over the years.

Domestically, the fruit based ingredients market is valued US\$ 350 million in 2016; is likely to touch US\$ 645 million by 2020 at a CAGR of 13.6%. Fruit pulps and concentrates form the most significant fruit based ingredients category in India and the fruit based beverage industry is the biggest consumer of Indian fruit pulps and concentrates. India is the third largest beverages market in the world and it is forecast to grow at an encouraging rate owing to urbanization, changing lifestyle and rising disposable income. With carbonated drinks being perceived as unhealthy, companies manufacturing these have added the juices segment in their portfolio, which is a strong growth trigger for us.

Fruit based ingredients are exported to many countries including the US, Russia and the Middle East, indicating the high potential for industry in India. We have already accessed some of these export markets through our existing relationships with certain global companies. Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

Further, there is considerable demand for tomato paste and puree due to extensive consumption in the Indian food service industry. Additionally, fruit based ingredients are exported to many countries including the United States, Russia and the Middle East, indicating the high potential for industry in India. Our presence in these product categories offer us significant growth potential to tap.

Strong consumer fundamentals and favourable demographics overseas and in India provide us with the opportunity to increase our market penetration. We intend to leverage our large scale procurement network to increase our production, and to build on our existing expertise and relationships to expand our presence in domestic and international markets and capture growth opportunities in the industry.

Improve our procurement volumes and strategy

The production volumes of our products are dependent upon the amounts and quality of fruits and vegetables that we are able to procure. We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra.

We intend to further grow our raw material procurement network by increasing the number of farmers, aggregators and collection centres that we have access to. To support our increased production and varied product portfolio, we also intend to expand and leverage our existing procurement network to help us procure the increased and more varied raw materials that would be required for our diversified product portfolio.

Our procurement strategy is also designed to improve the quality of, and our control over, our raw materials, supplemented through various methods including technical training given to farmers on modern farming practices.

Continue enhancing operational efficiencies

We intend to continue enhancing our operational efficiencies, to increase economies of scale, better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position.

We would focus on improving capacity utilization at our production facilities, including outside of the peak season, through increase in our overall production volumes as well as diversification of our product portfolio as mentioned above, to include a larger share of non-mango fruit and vegetables products and IQF products. We have invested in multi-functional equipment at each of our facilities, which allows scalability of our business, as we may be able to test and commence processing different fruits and vegetables and product variants, without incurring significant incremental costs for each such new product or product variant launch. We intend to continue investing in automation and modern equipment, to improve our product quality and volumes, enhance our range of product specifications and internal controls, and address changing customer preferences, emerging trends and best practices in our industry. We also intend to continue to focus on our R&D activities, to introduce new products and product variants and otherwise to manage and grow our product portfolio.

In addition, we are in the process of installing an ERP system, to reduce manual intervention and maintain greater control over our operations.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial statements derived from our Restated Standalone Financial Information for and as of the fiscal 2013, 2014, 2015, 2016, 2017 and six month period ended September 30, 2017 and our Restated Consolidated Financial Information for and as of the fiscal 2014, 2015, 2016, 2017 and six months ended September 30, 2017. The Restated Financial Information have been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations and are presented in the section titled “*Financial Statements*” on page 198. The summary financial statements presented below should be read in conjunction with our Restated Financial Information, the notes and annexures thereto and the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 267.

Restated Standalone Summary Statement of Assets and Liabilities

(₹ Million)

Particulars	As at					
	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
I. EQUITY AND LIABILITIES						
(1) Shareholders' funds						
Share capital	290.00	290.00	290.00	290.00	290.00	200.00
Reserves and surplus	2,136.82	1,936.07	1,714.29	1,529.21	1,401.91	824.13
	2,426.82	2,226.07	2,004.29	1,819.21	1,691.91	1,024.13
(2) Non-current liabilities						
Long-term borrowings	99.62	158.46	259.27	367.95	300.54	114.21
Deferred tax liabilities (Net)	154.25	138.14	143.82	126.16	111.45	94.10
Long-term provisions	7.26	5.26	1.73	1.73	1.73	1.75
	261.13	301.87	404.82	495.84	413.71	210.06
(3) Current liabilities						
Short-term borrowings	1,933.67	1,840.09	1,592.10	1,486.28	1,440.69	1,314.76
Trade payables	642.60	608.86	528.41	521.10	281.42	185.00
Current maturities of long-term borrowings	68.11	76.03	102.80	122.54	105.27	92.50
Other current liabilities	148.02	191.07	190.63	158.57	197.02	226.94
Short-term provisions	170.99	124.46	81.21	72.58	68.28	57.98
	2,963.39	2,840.52	2,495.15	2,361.07	2,092.68	1,877.19
Total equity and liabilities	5,651.34	5,368.45	4,904.26	4,676.12	4,198.30	3,111.37
II. ASSETS						
(1) Non-current assets						
Fixed assets						
i) Property plant and equipment	1,560.88	1,466.26	1,550.62	1,421.01	1,154.69	932.89
ii) Capital work-in-progress	-	98.62	-	65.63	116.97	125.63
Non-current investments	349.49	349.49	301.45	231.45	161.45	0.45
Long-term loans and advances	27.31	24.33	10.05	7.81	16.25	10.68
Other non-current assets	-	-	1.14	24.52	35.85	-
	1,937.68	1,938.70	1,863.26	1,750.42	1,485.21	1,069.65
(2) Current assets						
Inventories	1,861.47	1,586.05	1,311.54	1,515.95	1,407.79	1,343.57
Trade receivables	780.77	760.18	760.96	664.81	650.26	406.20
Cash and bank balances	191.53	191.33	122.67	160.52	102.92	94.47
Short-term loans and advances	828.75	820.02	738.75	467.78	466.13	125.38
Other current assets	51.14	72.17	107.08	116.64	85.99	72.10
	3,713.66	3,429.75	3,041.00	2,925.70	2,713.09	2,041.72
Total assets	5,651.34	5,368.45	4,904.26	4,676.12	4,198.30	3,111.37

The above statement should be read with the Restated Standalone Summary Statement of Cash Flow (Annexure III), Summary Statement of Adjustments to the Audited Standalone Financial Statements (Annexure IV) and Standalone Statement of Significant Accounting Policies and Other Explanatory Information (Annexure V).

Restated Standalone Summary Statement of Profit and Loss

(₹ Million)

Particulars	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014	Year ended 31st March 2013
III. INCOME						
Revenue from operations	2,259.72	4,295.42	4,029.38	3,889.42	3,077.30	2,548.73
Other Income	5.90	71.71	9.58	27.93	56.66	76.24
Total	2,265.62	4,367.14	4,038.95	3,917.35	3,133.96	2,624.97
IV. EXPENDITURE						
Cost of materials consumed	1,291.28	2,289.38	1,781.12	2,006.29	1,564.59	1,122.81
Purchases of Stock-in-Trade	322.65	846.22	639.96	665.31	458.27	243.08
Changes in inventories of Finished Goods	(244.63)	(339.35)	234.79	(84.84)	(90.09)	277.03
Employee benefit expenses	66.52	124.87	112.80	106.72	94.91	62.48
Manufacturing expenses	180.81	398.31	293.42	345.07	327.46	207.93
Administrative and selling expenses	175.46	316.20	273.77	313.09	333.58	288.13
Total	1,792.09	3,635.63	3,335.86	3,351.64	2,688.72	2,201.46
V. EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION	473.53	731.50	703.10	565.71	445.24	423.51
Finance Costs	96.67	252.64	283.49	282.64	179.43	203.32
Depreciation	81.04	153.07	145.01	129.06	114.63	(126.79)
VI. PROFIT BEFORE TAX	295.83	325.80	274.59	154.00	151.18	346.99
VII. TAX EXPENSE						
(1) Current tax	58.82	77.63	61.42	34.80	24.76	69.42
(2) Deferred tax (asset)/liability	16.11	(5.67)	17.65	14.71	17.35	70.83
(3) MAT credit availed	-	-	-	(22.81)	(18.71)	(47.21)
(4) MAT credit utilised	20.14	32.07	10.43	-	-	-
VIII. NET PROFIT/(LOSS) FOR THE PERIOD	200.76	221.77	185.09	127.30	127.78	253.94

The above statement should be read with the Restated Standalone Summary Statement of Cash Flow (Annexure III), Summary Statement of Adjustments to the Audited Standalone Financial Statements (Annexure IV) and Standalone Statement of Significant Accounting Policies and Other Explanatory Information (Annexure V).

Restated Standalone Summary Statement of Cash Flow

(₹ Million)

Particulars	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014	Year ended 31st March 2013
Profit before tax	295.83	325.80	274.59	154.00	151.18	346.99
Adjustments						
Depreciation	81.04	153.07	145.01	129.06	114.63	(126.79)
Interest income	(5.38)	(11.07)	(8.99)	(27.12)	(17.47)	(21.36)
Interest and finance charges	96.67	252.64	283.49	282.64	179.43	203.32
Profit on sale of assets (net)	0.32	(0.51)	0.06	-	(33.70)	(46.79)
Profit on sale of investment	-	(0.15)	-	-	-	-
Operating profit before working capital changes	468.47	719.78	694.17	538.59	394.07	355.37
Adjustments for changes in working capital						
(Increase)/decrease in trade receivables	(20.60)	0.79	(96.15)	(14.55)	(244.06)	167.96
(Increase)/decrease in long-term loans and advances	(2.98)	(14.28)	(2.24)	8.45	(5.58)	(0.68)
(Increase)/decrease in short-term loans and advances	(8.72)	(81.28)	(270.97)	(1.65)	(340.74)	39.32
(Increase)/decrease in other current assets	21.03	34.91	9.56	(30.65)	(13.88)	(57.93)
(Increase)/decrease in inventories	(275.42)	(274.51)	204.40	(108.16)	(64.22)	272.54
Increase/(decrease) in other current liabilities	(43.06)	0.44	32.06	(38.45)	(29.92)	(93.92)
Increase/(decrease) in short-term provisions	46.53	43.25	8.63	4.30	10.30	19.55
Increase/(decrease) in long-term provisions	2.00	3.53	-	-	(0.03)	-
Increase/(decrease) in trade and other payables	33.74	80.45	7.31	239.68	96.42	(273.49)
Income tax paid (Net)	(78.96)	(109.70)	(71.85)	(11.99)	(6.05)	(11.44)
A Net cash flow - operating activities	142.03	403.39	514.93	585.55	(203.69)	417.26
Purchase of fixed assets	(77.44)	(173.45)	(210.42)	(344.05)	(330.16)	(246.92)
(Increase)/decrease in non-current assets	-	1.14	23.38	11.33	-	-
(Investment)/refund of margin money deposit	31.49	(66.02)	29.56	(78.48)	(18.21)	25.10
Sale of fixed assets	0.09	6.63	1.36	-	36.10	60.13
Proceeds from sale of investment	-	0.60	-	-	-	-
(Increase)/decrease in other non-current assets	-	(48.49)	(70.00)	(70.00)	(196.85)	-
Interest received	5.38	11.07	8.99	27.12	17.47	21.36
B Net cash flow - investing activities	(40.49)	(268.53)	(217.12)	(454.07)	(491.66)	(140.33)
Proceeds from issue of share capital	-	-	-	-	540.00	-
Net proceeds/(repayment) of borrowings	26.81	120.42	(22.61)	130.28	325.02	(53.65)
Interest and Finance charges paid	(96.67)	(252.64)	(283.49)	(282.64)	(179.43)	(203.32)
C Net cash flow - financing activities	(69.85)	(132.22)	(306.10)	(152.36)	685.59	(256.97)
Net change in Cash and Cash Equivalent (A+B+C)	31.69	2.64	(8.29)	(20.88)	(9.76)	19.95
Cash and Cash Equivalents, beginning of period	5.00	2.36	10.65	31.54	41.29	21.34
Cash and Cash Equivalents as at end of period	36.69	5.00	2.36	10.65	31.54	41.29

- The above statement should be read with the Summary Statement of Adjustments to the Audited Standalone Financial Statements (Annexure IV) and Standalone Statement of Significant Accounting Policies and Other Explanatory Information (Annexure V)
- The above cash flow statement has been prepared under indirect method as per Accounting Standard (AS-3) on "cash flow statement" prescribed in Companies (Accounting Standard) Rules, 2006, which continues to apply under Section 133 of Companies Act, 2013 ("The Act") read with Companies (Accounting Standard) Rules.
- Previous year figures have been regrouped /rearranged wherever considered necessary.

Restated Consolidated Summary Statement of Assets and Liabilities:

(₹ Million)

Particulars	As at				
	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
I. EQUITY AND LIABILITIES:-					
(1) Shareholders' funds					
Share capital	290.00	290.00	290.00	290.00	290.00
Reserves and surplus	2,019.22	1,876.13	1,646.09	1,499.93	1,398.83
	2,309.22	2,166.13	1,936.09	1,789.93	1,688.83
(2) Non-current liabilities					
Long-term borrowings	133.55	204.23	402.55	594.68	300.86
Deferred tax liabilities (Net)	194.59	178.48	181.69	155.41	111.45
Long-term provisions	7.75	5.58	1.73	1.73	1.73
	335.89	388.30	585.96	751.81	414.03
(3) Current liabilities					
Short-term borrowings	2,336.13	2,134.58	1,839.94	1,631.75	1,547.56
Trade payables	669.87	671.34	581.00	548.36	289.79
Current maturities of long-term borrowings	134.30	157.42	189.63	197.51	105.52
Other current liabilities	188.87	232.50	241.32	208.97	213.67
Short-term provisions	180.29	133.94	81.87	73.88	68.28
	3,509.46	3,329.78	2,933.75	2,660.47	2,224.83
Total equity and liabilities	6,154.57	5,884.21	5,455.81	5,202.20	4,327.69
II. ASSETS					
(1) Non-current assets					
Fixed assets					
i) Property plant and equipment	2,350.81	2,270.94	2,089.34	1,972.32	1,154.69
ii) Capital work-in-progress	-	98.62	191.53	154.14	472.30
Non-current investments	-	-	0.45	0.45	0.45
Long-term loans and advances	31.72	26.99	13.22	10.99	19.20
Other non-current assets	0.75	5.62	46.45	39.13	120.41
	2,383.28	2,402.17	2,340.99	2,177.03	1,767.05
(2) Current assets					
Inventories	2,385.96	1,983.32	1,635.57	1,764.68	1,414.98
Trade receivables	828.36	811.59	839.31	692.44	650.50
Cash and bank balances	283.84	264.68	216.78	215.43	225.65
Short-term loans and advances	208.30	336.59	316.07	235.98	183.52
Other current assets	64.83	85.86	107.09	116.64	85.99
	3,771.29	3,482.04	3,114.82	3,025.17	2,560.64
Total assets	6,154.57	5,884.21	5,455.81	5,202.20	4,327.69

Note:-

The above statement should be read with the Summary Statement of Adjustments to the Audited Consolidated Financial Statements in Annexure IV, the Restated Consolidated Summary Statement of Cash Flow in Annexure III and Significant Accounting Policies and Other Explanatory Information in Annexure V.

Restated Consolidated Summary Statement of Profit and Loss

(₹ Million)

Particulars	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014
III. INCOME					
Revenue from operations	2,350.53	4,527.30	4,301.30	3,842.15	3,085.65
Other income	8.34	80.56	29.85	43.09	56.66
Total	2,358.87	4,607.86	4,331.15	3,885.24	3,142.31
IV. EXPENDITURE					
Cost of materials consumed	1,507.44	2,870.46	2,214.79	2,248.65	1,570.93
Purchases of stock-in-trade	268.87	309.22	448.61	432.28	458.27
Changes in inventories of finished goods	(379.70)	(423.50)	150.61	(291.20)	(92.19)
Employee benefit expenses	81.85	155.26	141.33	130.34	97.91
Manufacturing expenses	224.93	510.71	332.87	417.09	329.84
Administrative and selling expenses	188.68	353.05	293.31	330.31	335.40
Total	1,892.06	3,775.20	3,581.52	3,267.46	2,700.15
V. EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION	466.81	832.66	749.63	617.78	442.16
Finance costs	125.54	302.83	332.35	310.82	179.43
Depreciation	103.11	192.31	172.99	149.91	114.63
VI. PROFIT BEFORE TAX	238.16	337.52	244.30	157.05	148.11
VII. TAX EXPENSE					
(1) Current tax	58.82	88.24	61.42	36.94	24.76
(2) Deferred tax (asset)/liability	16.11	(3.21)	26.28	43.96	17.35
(3) MAT credit availed	-	-	-	(24.94)	(18.71)
(4) MAT credit utilised	20.14	22.45	10.43	-	-
VIII. NET PROFIT/(LOSS) FOR THE PERIOD	143.09	230.04	146.16	101.10	124.70

Note:-

The above statement should be read with the Summary Statement of Adjustments to the Audited Consolidated Financial Statements in Annexure IV, the Restated Consolidated Summary Statement of Cash Flow in Annexure III and Significant Accounting Policies and Other Explanatory Information in Annexure V.

Restated Consolidated Summary Statement of Cash Flow

(₹ Million)

Particulars	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014
Profit before tax	238.16	337.52	244.30	157.05	148.11
Adjustments					
Depreciation	103.11	192.31	172.99	149.91	114.63
Interest income	(6.95)	(15.92)	(14.80)	(31.84)	(17.47)
Interest and finance charges	125.54	302.83	332.35	310.82	179.43
Profit on sale of asset (Net)	0.63	(0.89)	0.06	-	(33.70)
Profit on sale of investment	-	(0.15)	-	-	-
Operating Profit before working capital changes	460.49	815.71	734.89	585.94	390.99
Adjustments for Changes in Working Capital:					
(Increase)/ decrease in trade receivables	(16.78)	27.72	(146.86)	(41.95)	(244.30)
(Increase)/ decrease in short-term loans and advances	128.30	(20.53)	(80.09)	(52.46)	(58.14)
(Increase)/ decrease in long-term loans and advances	(4.73)	(13.77)	(2.23)	8.21	(8.53)
(Increase)/ decrease in other current assets	21.03	21.23	9.55	(30.65)	(15.13)
(Increase)/ decrease in inventories	(402.64)	(347.75)	129.11	(349.69)	(71.41)
Increase/(decrease) in other current liabilities	(43.63)	(8.82)	32.35	(4.71)	(13.27)
Increase/(decrease) in short-term provisions	46.35	52.07	7.99	5.60	12.76
Increase/(decrease) in long-term provisions	2.16	3.86	-	-	(3.76)
Increase/(decrease) in trade and other payables	(1.47)	90.34	32.64	258.57	154.83
	(271.40)	(195.64)	(17.54)	(207.08)	(246.94)
Cash Generated from Operations	189.08	620.07	717.35	378.86	144.05
Income tax paid (Net)	(78.96)	(110.69)	(71.85)	(11.99)	(3.53)
A Net cash flow - operating activities	110.12	509.38	645.50	366.87	140.52
Purchase of fixed assets	(85.32)	(286.83)	(328.82)	(649.39)	(685.48)
(Increase)/ decrease in Other Non-current assets	4.87	40.83	(7.33)	81.29	(120.41)
(Investment)/ refund of margin money deposit	63.87	(47.02)	(7.15)	(13.27)	(136.98)
Sale of fixed assets	0.32	6.72	1.36	-	36.10
Proceeds from sale of Investment	-	0.60	-	-	-
(Increase)/ decrease in non-current assets	-	0.00	-	-	-
Interest Received	6.95	15.92	14.80	31.84	17.47
B Net cash flow - investing activities	(9.29)	(269.79)	(327.13)	(549.54)	(889.31)
Proceeds from issue of share capital	-	-	-	-	540.00
Net proceeds/(repayment) of borrowings	107.74	64.12	8.18	470.00	382.42
Interest and Finance charges paid	(125.54)	(302.83)	(332.35)	(310.82)	(179.43)
C Net cash flow - financing activities	(17.80)	(238.72)	(324.17)	159.18	742.99
Net change in Cash and Cash Equivalent (A+B+C)	83.03	0.88	(5.80)	(23.49)	(5.80)
Cash and Cash Equivalent, beginning of period	7.08	6.21	12.01	35.49	41.29
Cash and Cash Equivalent, end of period	90.11	7.08	6.21	12.01	35.49

Note:

- The above statement should be read with the notes on adjustments for Restated Consolidated Summary Financial Information appearing in Annexure IV and Significant Accounting Policies and Other Explanatory Information as appearing in Annexure V.
- The above cash flow statement has been prepared under indirect method as per Accounting Standard (AS-3) on "cash flow statement" prescribed in Companies (Accounting Standard) Rules, 2006, which continues to apply under Section 133 of Companies Act, 2013 ("The Act") read with Companies (Accounting Standard) Rules.
- Previous year figures have been regrouped /rearranged wherever considered necessary, to make them complete.

THE OFFER

The following table summarizes details of the Offer:

Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million
<i>The Offer consists of:</i>	
Fresh Issue ⁽¹⁾	[●] Equity Shares aggregating up to ₹ 1,710 million
Offer for Sale ⁽²⁾	Up to 7,643,000 Equity Shares aggregating to ₹ [●] million
<i>Of which:</i>	
A. QIB Category ⁽³⁾	Not more than [●] Equity Shares
<i>Of which:</i>	
(i) Anchor Investor Portion ⁽⁴⁾	Up to [●] Equity Shares
<i>Of which:</i>	
Available for allocation to Mutual Funds only	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
(ii) Balance available for allocation in the QIB Category (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
B. Non-Institutional Category ⁽³⁾	Not less than [●] Equity Shares
C. Retail Category ⁽³⁾	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	29,720,000 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of proceeds of the Offer	For details, see “ <i>Objects of the Offer</i> ” on page 95. Our Company will not receive any portion of the proceeds from the Offer for Sale portion of the Offer.

⁽¹⁾ The Offer has been authorised by our Board pursuant to its resolution dated October 19, 2017, and by our shareholders pursuant to their special resolution dated October 23, 2017.

⁽²⁾ The Selling Shareholders have specifically confirmed and authorized their respective participation in the Offer for Sale, pursuant to their consent letters, each dated February 2, 2018. For details see “**Other Regulatory and Statutory Disclosures**” on page 322. Each of the Selling Shareholders, severally and not jointly, confirms that its portion of the Equity Shares offered in the Offer for Sale is in accordance with the SEBI ICDR Regulations and have been held for a period of at least one year prior to the date of the Draft Red Herring Prospectus.

⁽³⁾ Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. The Offer shall constitute at least 25% of the fully diluted post-Offer paid up equity share capital of our Company. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(i)/(ii)/(iii) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, see “**Offer Structure**” on page 345.

⁽⁴⁾ Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Category. For further details, see the “**Offer Procedure**” on page 348.

Notes:

1. Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least 25% of the post-Offer paid-up equity share capital of our Company.
2. The Equity Shares being offered pursuant to the Offer for Sale have been held by the Selling Shareholder for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus, other than the Equity Shares being offered having resulted from a bonus issue. To the extent that the Equity Shares being offered in the Offer for Sale have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of the Draft Red Herring Prospectus and were issued out of free reserves of our Company. Accordingly, the Equity Shares being

offered in the Offer for Sale are eligible in accordance with Regulation 26(6) of the SEBI ICDR Regulations. For more information, see “**Capital Structure**” on page 84.

3. Allocation to all categories, except Anchor Investors, if any, and Retail Individual Investors, shall be made on a proportionate basis. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For details, see “**Offer Procedure**” on page 348.

For details, including in relation to grounds for rejection of Bids, refer to “**Offer Structure**” and “**Offer Procedure**” on pages 345 and 348, respectively. For details of the terms of the Offer, see “**Terms of the Offer**” on page 340.

GENERAL INFORMATION

Our Company was incorporated as “Capricorn Food Products India Limited” on October 8, 1998, as a public limited company under the Companies Act 1956, at Chennai, Tamil Nadu with a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu at Chennai (the “RoC”). For further details on the changes in name and registered office of our Company, see “*History and Certain Corporate Matters*” on page 171.

Registration Number: 041231

Corporate Identification Number: U15499TN1998PLC041231

Registered and Corporate Office:

Capricorn Food Products India Limited

Old No.AH-216

New No.AH-11 2nd Street

Shanthi Colony, Anna Nagar

Chennai 600 040

Tamil Nadu, India

Tel: +91 (44) 4228 1020

Fax: +91 (44) 4350 0864

Email: cs@capricorngroup.com

Website: www.capricorngroup.com

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Tamil Nadu at Chennai situated at the following address:

Block No.6, B Wing 2nd Floor

Shastri Bhavan

26 Haddows Road

Chennai 600 034

Tamil Nadu, India

Board of Directors

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

Name and Designation	Age (in years)	DIN	Address
Rahoul Jain <i>Designation:</i> Chairman and Managing Director	44	00004046	AH-216, Anna Nagar, Chennai 600 040, Tamil Nadu, India.
Shuchi Jain <i>Designation:</i> Whole time Director	40	00013870	AH-216, Anna Nagar, Chennai 600 040, Tamil Nadu, India.
Rajesh Singhal <i>Designation:</i> Nominee Director – Nominee of Milestone I and Milestone Trust	46	01415174	C-302, Lakshchandi Heights, A K Vaidya Marg, Gokuldharm, Goregaon (East), Mumbai 400 063, Maharashtra, India
Virendra Singh Jain <i>Designation:</i> Independent Director	71	00253196	B-12, 'Saket', 2 nd Floor, Gyan Bharti School Lane, South Delhi, Delhi, India 110017
Penna Mohamed Basheer Ahamed <i>Designation:</i> Independent Director	62	00580494	Raihan, Plot No.11, Second Lane, Officers Colony, Varadharajapuram, Velachery, Chennai 600 042, Tamil Nadu, India.

Name and Designation	Age (in years)	DIN	Address
Prasanna Kasturi <i>Designation: Independent Director</i>	61	02401579	O. No. 45 N. No. 22 5 th Main Road, Jawahar Nagar Chennai 600 082 , Tamil Nadu, India.

For brief profiles and further details in respect of our Directors, see “**Management**” on page 176.

Selling Shareholders:

The following table sets out the details regarding our Selling Shareholders as on the date of filing of this Draft Red Herring Prospectus:

Sl No.	Selling Shareholder	Details
1.	Rahoul Jain	For details in relation to Rahoul Jain, see “ Management ” and “ Promoter and Group Company - Details of our Promoter ” on pages 176 and 192, respectively.
2.	Shuchi Jain	For details in relation to Shuchi Jain, see “ Management ” on page 176.
3.	Milestone Private Equity Fund (Scheme: India Build Out Fund I) (“ Milestone I ”)	Milestone I is a venture capital fund registered under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 having its registered office at Level 2, The Crescent, Lado Sarai Mehrauli, New Delhi 110 030.
4.	Milestone Army Trust (“ Milestone Trust ”)	Milestone Trust is a private trust registered under the Indian Trusts Act, 1882 having its registered office at Level 2, The Crescent, Lado Sarai Mehrauli, New Delhi 110 030.

Chief Financial Officer

S. Ramesh Narayanan is the Chief Financial Officer of our Company. His contact details are as follows:

Capricorn Food Products India Limited

Old No.AH-216

New No.AH-11 2nd Street

Shanthi Colony, Anna Nagar

Chennai 600 040

Tamil Nadu, India

Tel: +91 (44) 4228 1020

Fax: +91 (44) 4350 0864

Website: www.capricorngroup.com

E mail: ramesh.narayanan@capricorngroup.com

Company Secretary and Compliance Officer

Mythili Girish is the Company Secretary and Compliance Officer our Company. Her contact details are as follows:

Capricorn Food Products India Limited

Old No.AH-216

New No.AH-11 2nd Street

Shanthi Colony, Anna Nagar

Chennai 600 040

Tamil Nadu, India

Tel: +91 (44) 4228 1020

Fax: +91 (44) 4350 0864

Website: www.capricorngroup.com

E mail: cs@capricorngroup.com

Investor grievances

Investors can contact Mythili Girish, our Company Secretary and Compliance Officer, the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked, date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

All grievances by Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

IIFL Holdings Limited 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India Tel: (+91 22) 4646 4600 Fax: (+91 22) 2493 1073 E-mail: capricorn.ipo@iiflcap.com Investor grievance E-mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Pinkesh Soni/ Anant Gupta SEBI Registration No.: INM000010940	ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: capricorn.ipo@icicisecurities.com Investor grievance E-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Prem D'Cunha/ Payal Kulkarni SEBI Registration No.: INM000011179	IDFC Bank Limited Naman Chambers, C-32 G Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India Tel: +91 22 7132 5500 Fax : +91 22 6622 2501 E-mail: capricorn.ipo@idfcbank.com Investor grievance E-mail: mb.ig@idfcbank.com Website: www.idfcbank.com Contact Person: Gaurav Goyal SEBI Registration No.: MB/INM000012250
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Statement of *inter se* allocation of responsibilities among the Book Running Lead Managers

The responsibilities and coordination by the BRLMs for various activities in the Offer are as follows:

S. No.	Activity	Responsibility	Co-ordinator
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	All BRLMs	IIFL
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities.	All BRLMs	IIFL
3.	Drafting and approval of all statutory advertisement.	All BRLMs	IIFL
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 3 above including media monitoring, corporate advertisement, brochure, etc.	All BRLMs	I-Sec
5.	Appointment of other intermediaries viz., Registrar, Printers, Advertising Agency, Monitoring Agency and Bankers to the Offer.	All BRLMs	IIFL
6.	Preparation of road show presentation & FAQs.	All BRLMs	I-Sec

S. No.	Activity	Responsibility	Co-ordinator
7.	International institutional marketing strategy Finalize the list and division of investors for one to one meetings, in consultation with the Company and Selling Shareholders Finalizing roadshow schedule and investor meeting schedules.	All BRLMs	IIFL
8.	Domestic institutions / banks / mutual funds marketing strategy Finalize the list and division of investors for one to one meetings, in consultation with the Company and Selling Shareholders Finalizing roadshow schedule and investor meeting schedules.	All BRLMs	IDFC
9.	Non-Institutional marketing of the Offer, which will cover, inter alia, Formulating marketing strategies for Non-institutional Investors Finalize Media and PR strategy.	All BRLMs	IIFL
10.	Retail marketing of the Offer, which will cover, inter alia; Formulating marketing strategies, preparation of publicity budget Finalize Media and PR strategy Finalizing centers for holding conferences for press and brokers; Finalizing collection centres; Finalizing and follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material.	All BRLMs	I-Sec
11.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading, payment of 1% security deposit through cash and bank guarantee, etc.	All BRLMs	I-Sec
12.	Finalization of pricing and managing the book in consultation with the Company and the Selling Shareholders.	All BRLMs	IIFL
13.	Post-issue activities, which shall involve essential follow-up steps including follow-up with Bankers to the Offer and Designated Intermediaries to get quick estimates of collection and advising the issuer about the closure of the Offer, based on correct figures, co-ordinating on Anchor Investor allocation letters, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as Registrar to the Offer, Bankers to the Offer, Designated Intermediaries etc. Including responsibility for underwriting arrangements, as applicable and release of 1% security deposit post closure of the Offer.	All BRLMs	IDFC
14.	Payment of the applicable Securities Transaction Tax (“STT”) on sale of unlisted equity shares by the Selling Shareholders under the offer for sale included in the Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.	All BRLMs	IDFC

Syndicate Members

[•]

Legal Counsel to the Offer

Shardul Amarchand Mangaldas & Co

24th Floor, Express Towers
Nariman Point
Mumbai 400 021
Maharashtra, India
Tel: (+91 22) 4933 5555
Fax: (+91 22) 4933 5550

Registrar to the Offer

Link Intime India Private Limited

C 101, 1st Floor,
247 Park, Lal Bhadur Shastri Marg,
Vikhroli (West),
Mumbai 400 083,
Maharashtra, India

Tel: +91 022 49186200
Fax: +91 022 49186195
E-mail: capricorn.ipo@linkintime.co.in
Investor Grievance E-mail: capricorn.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Escrow Collection Bank(s)/Bankers to the Offer

[•]

Public Offer Account Bank/ Anchor Escrow Bank

[•]

Refund Bank

[•]

Self Certified Syndicate Banks

The list of SCSBs is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/ Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time and for more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circulars CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Auditors to our Company

R. Subramanian and Company LLP

Chartered Accountants
6, Krishnaswamy Avenue,
Luz, Mylapore,
Chennai 600 004
Tamil Nadu, India
Tel: +91 (44) 24992261 24991347/ 24994231

Fax: +91 (44) 24991408
Contact Person: R. Kumarasubramanian
E-mail: rs@rscompany.co.in
Firm registration number: 0041375s/s200041
Peer Review No: 007921

R. Subramanian and Company LLP, Chartered Accountants, by a certificate dated February 2, 2018 have confirmed that they hold a valid peer review certificate dated April 16, 2015 issued by the Peer Review Board of the ICAI, Chennai.

Bankers to our Company:

Citibank N.A.

Citibank N.A. no 163
Anna Salai Ground Floor
Chennai 600 002
Tamil Nadu, India
Tel: +91 (44) 4227 4485
Fax: +91 (44) 2841 0060/+91 (44) 2846 0002
E-mail: v.raghavan@citi.com
Website: www.online.citibank.co.in
Contact person: Venkatesh Raghavan

HDFC Bank Limited

115, R.K. Salai,
Mylapore,
Chennai 600 004
Tamil Nadu, India
Tel: +91 (44) 2847 7165/ +91 (44) 2847 7164
Fax: +91 (44) 2847 7035
E-mail:
saleem.ka@hdfcbank.com/nagendran.kannan@hdfc
bank.com
Website: https://www.hdfcbank.com/
Contact person: Saleem Jaffar

IDBI Bank Limited

Specialized Corporate Branch
3rd floor, Khiviraj Compex-I
480, Anna Salai, Nandhanam
Chennai 600 035
Tamil Nadu, India
Tel: +91 (44) 2432 2375
E-mail: vijaya.sekhar@idbi.co.in
Website: www.idbibank.com
Contact person: M Vijaya Sekhar Babu

Kotak Mahindra Bank Limited

No.39, Montieth Road
Ceebros Centre, Egmore
Chennai 600 008
Tamil Nadu, India
Tel: +91 (44) 4224 5564/+91 (44) 4550 8730
Fax: -
E-mail: reenganathan.k@kotak.com
Website: www.kotak.com
Contact person: Renganathan K

DBS Bank Limited

Chennai Branch
806 Anna Salai
Chennai 600 002
Tamil Nadu, India
Tel: +91 (44) 6656 8860
Fax: +91 (44) 6656 8899
E-mail: sathyanarayanan@dbs.com
Website: www.dbs.com
Contact person: M.Sathyanarayanan Davey

ICICI Bank Limited

ICICI Bank Towers, Regional Office
24, South Phase, Ambattur Industrial Estate
Chennai 600 058
Tamil Nadu, India
Tel: +91 (44) 4027 5161/ +91 (44) 4027 5276
Fax: +91 (44) 2820 7120
E-mail:
mahitha.m@icicibank.com/senthil.rajat@icicibank.co
m
Website: www.icicibank.com
Contact person: Mahitha Mukundan

Indian Bank

Saidpet Branch, Bali Towers,
1st Abdul Razzack Street, Saidapet
Chennai 600 015
Tamil Nadu, India
Tel: +91 (44) 2435 6792/ +91 (44) 2435 6772
Fax: +91 (44) 2435 6792
E-mail: saidapet@indianbank.com
Website: www.indianbank.com
Contact person: M Radhakrishnan

RBL Bank Limited

Anand Business Centre
Old no.105, New no. 56
G N Chetty Road, T. Nagar
Chennai 600 017
Tamil Nadu, India
Tel: +91 (44) 46701143
E-mail: raja.n@rblbank.com
Website: www.rblbank.com
Contact person: N Raja

State Bank of India

Leather & International Branch

M.V.J Towers

177/1, Poonamallee High Road, Kipauk

Chennai 600 010

Tamil Nadu, India

Tel: +91 (44) 2836 9807/+91 (44) 2828 7914

E-mail:

amt4.07024@sbi.co.in/sbi.07024@sbi.co.in

Website: www.sbi.co.in

Contact person: R. Ravikumar

Grading of the Offer

No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Appraising Entity

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

Monitoring Agency

As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilisation of the proceeds of the Offer. We will disclose the utilisation of the proceeds of the Offer under a separate head along with details, if any in relation to all such proceeds of the Offer that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Offer in our balance sheet for the relevant fiscal years.

As the size of the Fresh Issue is more than ₹ 1,000 million, the appointment of a monitoring agency is required. Further, the details of the Monitoring Agency appointed for the purposes of this Offer are set out below:

[•]

Expert

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

Our Company has received written consent from the Auditor, R. Subramanian and Company LLP, Chartered Accountants, to include its name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an “expert” as defined under Section 2 (38) read with Section 26(5) of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination reports on the Restated Standalone Financial Information and Restated Consolidated Financial Information, each dated February 2, 2018, and for the Statement of Tax Benefits, dated February 2, 2018 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Our Company has also received written consent from Frost & Sullivan, to include its name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect to the Frost & Sullivan Report.

Our Company has also received written consent from Er. Yogesh R. Chandak and Key Vee Builders, to include their names in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect to the Installed Capacity Certificate and Storage Capacity Certificate, respectively.

Credit Rating

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

Trustees

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

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company, in consultation with the BRLMs, and advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of a Hindi national daily newspaper and [●] editions of [●] (a widely circulated Tamil newspaper, Tamil being the regional language in the place where our Registered and Corporate Office is located), at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (except Anchor Investors) shall participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. For further details on method and process of Bidding, see “*Offer Structure*” and “*Offer Procedure*” on pages 345 and 348 respectively.

Our Company and the Selling Shareholders will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. In this regard, the Company and the Shareholders have appointed the BRLMs to manage this Offer and procure Bids for this Offer.

Investors should note the Offer is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC after the Prospectus is filed with the RoC. For further details, see “*Terms of the Offer*”, “*Offer Structure*” and “*Offer Procedure*” on pages 340, 345 and 348 respectively.

Illustration of Book Building Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to this Offer, and does not illustrate bidding by Anchor Investors)

Bidders can Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the Bidding Centres during the bid period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. Our Company in consultation with the BRLMs, will finalize the Offer Price at or below such cut-off, i.e., at or below ₹ 22. All bids at or above the Offer Price and cut-off price are valid bids and are considered for allocation in the respective categories.

Underwriting Agreement

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 13 of the SEBI ICDR Regulations.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

(₹ in million)		
Name, address, telephone, fax and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation of Equity Shares and subject to the provisions of Regulation 13(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Draft Red Herring Prospectus, is set forth below.

	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Offer Price (in ₹)
A)	AUTHORISED SHARE CAPITAL⁽¹⁾		
	40,000,000 Equity Shares	400,000,000	-
B)	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	29,720,000 Equity Shares	297,200,000	-
C)	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS⁽²⁾		
	Offer of up to [●] Equity Shares aggregating up to ₹ [●] million	[●]	[●]
	Comprising:		
	Fresh Issue of [●] Equity Shares aggregating up to ₹ 1,710 million	[●]	[●]
	Offer for Sale of up to 7,643,000 Equity Shares ⁽³⁾	[●]	[●]
D)	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	[●] Equity Shares	[●]	[●]
E)	SECURITIES PREMIUM ACCOUNT		
	Before the Offer		450,000,000
	After the Offer		[●]

⁽¹⁾ For details of the changes in the authorized share capital of our Company, see “History and Certain Corporate Matters - Amendments to the Memorandum of Association” on page 172.

⁽²⁾ The Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on October 19, 2017 and the Shareholders pursuant to their special resolution passed on October 23, 2017. The Selling Shareholders have confirmed and authorized their respective participation in the Offer for Sale. For details see “Other Regulatory and Statutory Disclosures” on page 322. For further details regarding the Offer, see “The Offer” on page 73.

⁽³⁾ For details of authorisations received for the Offer for Sale, see “The Offer” on page 73. The Equity Shares being offered by each Selling Shareholders have been held by that Selling Shareholder for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of SEBI ICDR Regulations and are eligible for being offered for sale in the Offer.

Notes to Capital Structure

1. Share Capital History

(a) History of Equity Share capital of our Company

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

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Cumulative equity share premium (₹)
October 6, 1998	70	100	100	Cash	Subscription to the MoA ⁽¹⁾	70	7,000	-
December 19, 1998*	26,250	100	100	Cash	Further issue ⁽²⁾	26,320	2,632,000	-
August 9, 1999*	23,680	100	100	Cash	Further issue ⁽³⁾	50,000	5,000,000	-
March 24, 2003	100,000	100	100	Cash	Further issue ⁽⁴⁾	150,000	15,000,000	-
March 30, 2004	33,500	100	100	Cash	Further issue ⁽⁵⁾	183,500	18,350,000	-
March 22, 2006	183,500	100	N.A.	N.A.	Bonus issue (1:1) ⁽⁶⁾	367,000	36,700,000	-
March 28, 2008	200,000	100	100	Cash	Further issue ⁽⁷⁾	567,000	56,700,000	-
March 31, 2010	880,000	100	100	Cash	Further issue ⁽⁸⁾	1,447,000	144,700,000	-
September 30, 2010	553,000	100	100	Cash	Further issue ⁽⁹⁾	2,000,000	200,000,000	-

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Reason/ Nature of allotment	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Cumulative equity share premium (₹)
April 3, 2013	900,000	100	600	Cash	Further issue ⁽¹⁰⁾	2,900,000	290,000,000	450,000,000
March 31, 2015	N.A.	N.A.	N.A.	N.A.	Sub-division of face value from ₹ 100 each to ₹ 10 each ⁽¹¹⁾	29,000,000	290,000,000	450,000,000
December 11, 2017	720,000	10	10	Cash	Rights Issue ⁽¹²⁾	29,720,000	297,200,000	450,000,000

⁽¹⁾ Subscription of 10 equity shares of face value ₹ 100 by Kiran Jain, 10 equity shares of face value ₹ 100 by Shuchi Jain, 10 equity shares of face value ₹ 100 by Meghna Jain, 10 equity shares of face value ₹ 100 by Rahoul Jain, 10 equity shares of face value ₹ 100 by Chetan Jain, 10 equity shares of face value ₹ 100 by S. Thomas and 10 equity shares of face value ₹ 100 by S. Srinivasan, being the initial subscribers to the MoA.

⁽²⁾ Allotment of 26,250 equity shares of face value of ₹ each. 3000 equity shares of ₹ 100 each to Kiran Jain, 500 equity shares of ₹ 100 each to Shuchi Jain, 500 equity shares of ₹ 100 each to Meghna Jain, 1000 equity shares of ₹ 100 each to Rahoul Jain, 500 equity shares of ₹ 100 each to Chetan Jain, 100 equity shares of ₹ 100 each to S.Thomas, 100 equity shares of ₹ 100 each to S.Srinivasan, 500 equity shares of ₹ 100 each to M.S. Jain, 2150 equity shares of ₹ 100 each to M/s Ezhil Chemical Limited, 5000 equity shares of ₹ 100 each to M/s Kiran Silicates (P) Limited, 1900 equity shares of ₹ 100 each to M/s Nannilam Silicates, 5000 equity shares of ₹ 100 each to M/s Navodaya Chemicals Private Limited, 5000 equity shares of ₹ 100 each to M/s Sunrise Silicates Private Limited and 1000 equity shares to M/s Kiran Chemfarm (P) Limited..

⁽³⁾ Allotment of 23,680 equity shares of face value of ₹ 100 each. 990 equity shares of face value ₹ 100 to Rahoul Jain, 22,690 equity shares of ₹ 100 to M/s Solar Chemical and Super Silicates Private Limited

⁽⁴⁾ Allotment of 100,000 equity shares of face value ₹ 100 each. 10,000 equity shares of face value ₹ 100 to Rahoul Jain, 760 equity shares of face value ₹ 100 to Atul Jain, 740 equity shares of face value ₹ 100 to M/s. Navodaya Chemicals (Private) Limited, 4,000 equity shares of face value ₹ 100 to M/s Sunrise Silicates (Private)Limited, 30,000 equity shares of face value ₹ 100 to M/s Adhithya Chemicals (Private) Limited, 5,000 equity shares of face value ₹ 100 to M/s Growell Business Credit Limited, 25,500 equity shares of face value ₹ 100 to M/s Kiran Detchem (Private) Limited, 3,000 equity shares of face value ₹ 100 to M/s Invincible Chemicals (Private) Limited, 10,000 equity shares of face value ₹ 100 to M/s United Silicates Industries (Private) Limited and 11,000 equity shares of face value ₹ 100 to M/s Vallabha Silicates (Private) Limited.

⁽⁵⁾ Allotment of 33,500 equity shares of face value ₹ 100 each. 9,500 equity shares of face value ₹ 100 to Meghna Silicates (Private) Limited jointly with Sunrise Silicates (Private) Limited, 16,500 equity shares of face value ₹ 100 to Meghna Silicates (Private) Limited and 7,500 equity shares of face value ₹ 100 to Pawan Chemicals (Private) Limited.

⁽⁶⁾ Pursuant to the resolution passed at the EGM dated March 22, 2006 and SEBI Guidelines, a sum of ₹ 18,350,000 being part of the undistributed profits of our Company and the amount be applied in issuance of bonus shares and allotted in the ratio of 1:1.

⁽⁷⁾ Allotment of 200,000 equity shares of face value ₹ 100 each. 130,000 equity shares of face value ₹ 100 to Rahoul Jain and 70,000 equity shares of face value ₹ 100 to Shuchi Jain.

⁽⁸⁾ Allotment of 880,000 equity shares of face value ₹ 100 each. 200,000 equity shares of face value ₹ 100 to Rahoul Jain and 680,000 equity shares of face value ₹ 100 to Shuchi Jain.

⁽⁹⁾ Allotment of 553,000 equity shares of face value ₹ 100 each. 550,000 equity shares of face value ₹ 100 to Rahoul Jain and 3,000 equity shares of face value ₹ 100 to Shuchi Jain.

⁽¹⁰⁾ Allotment of 900,000 equity shares of face value ₹ 100 each. 875,000 equity shares of face value ₹ 100 to Milestone I at a premium of ₹ 500 each and 25,000 equity shares of face value ₹ 100 to Milestone Trust at a premium of ₹ 500 each.

⁽¹¹⁾ Pursuant to the resolution passed at the EGM dated March 31, 2015, each equity share of our Company of face value ₹100 was sub-divided into ten equity shares of face value ₹ 10 each and consequently authorised share capital of our Company would comprise of 30,000,000 equity shares of ₹ 10 each and the paid-up share capital would comprise of 29,000,000 equity shares of ₹ 10 each.

⁽¹²⁾ Allotment of 720,000 equity shares of ₹ 10 each were allotted to Rahoul Jain on a rights basis.

* We are unable to trace copies of the forms filed by us with the RoC, in relation to these allotment of Equity Shares. For further details, see "Risk Factors - Some of our corporate records relating to forms filed by us in the past with the RoC are not traceable" on page 24.

(b) Issue of Equity Shares in two years preceding the date of this Draft Red Herring Prospectus

Except as detailed below, no Equity Shares have been issued by the Company in the two years preceding the date of this Draft Red Herring Prospectus:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price (₹)	Name of Allottee(s)	Whether allotment to Promoter(s) and / or member(s) of the Promoter Group	Reason/ Nature of allotment
December 11, 2017	720,000	10	10	Rahoul Jain	Promoter	Rights Issue

(c) Equity Shares issued for consideration other than cash

Except as detailed below, no Equity Shares have been issued for consideration other than cash.

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for allotment	Benefits accrued to our Company
March 22, 2006	183,500	100	N.A.	Other than cash	Bonus Issue in the ratio of 1:1	Nil

(d) Issue of Equity Shares out of Revaluation Reserves

As on the date of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares out of revaluation reserves, since incorporation.

(e) Issue of Equity Shares in the last one year below the Offer Price

Except as stated below, our Company has not issued any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price (₹)	Name of Allottee(s)	Whether allotment to Promoter(s) and / or member(s) of the Promoter Group	Reason/ Nature of allotment
December 11, 2017	720,000	10	10	Rahoul Jain	Promoter	Rights Issue

2. History of Build-up, Contribution and Lock-in of Promoter's Shareholding

(a) Build-up of Promoter's shareholding in our Company

As on the date of this Draft Red Herring Prospectus, our Promoter holds, in aggregate, 10,850,197 Equity Shares, which constitutes 36.51% of the issued, subscribed and paid-up Equity Share capital of our Company as on the date of the Draft Red Herring Prospectus.

Set forth below is the build-up of the equity shareholding of our Promoter, since the incorporation of our Company.

Date of allotment/ transfer	Number of Equity Shares allotted/ transferred	Face value (₹)	Issue/ purchase/selling price per Equity Share (₹)	Nature of consideration	Nature of acquisition/ transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)*
Rahoul Jain							
October 6, 1998	10	100	100	Cash	Subscription to the MoA	0.00	[•]
December 19, 1998	1,000	100	100	Cash	Further issue	0.03	[•]
August 9, 1999	990	100	100	Cash	Further issue	0.03	[•]
March 24, 2003	10,000	100	100	Cash	Further issue	0.34	[•]
March 22, 2006	12,000	100	N.A.	Bonus	Bonus issue in the ratio of 1:1	0.40	[•]
August 16, 2006	203,500	100	0.1	Cash	Transfer from Kiran Jain, Meghna Jain, Chetan Jain, S.	6.85	[•]

Date of allotment/ transfer	Number of Equity Shares allotted/ transferred	Face value (₹)	Issue/ purchase/selling price per Equity Share (₹)	Nature of consideration	Nature of acquisition/ transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)*
					Thomas, S. Srinivas, Ezhil Chemical Limited, Kiran Silicates Private Limited, Nannilam Silicates, Navodaya Chemical Private Limited, Kiran Chemfarm Private Limited, Growell Business Credit Limited, Kiran Detchem Private Limited, Invincible Chemicals Private Limited, United Silicates Industries Private Limited, Vallabha Silicates Private Limited, Pawan Chemicals Private Limited, Meghna Silicates Private Limited, Meghna Silicates & Super Silicates Private Limited ⁽¹⁾		
March 28, 2008	130,000	100	100	Cash	Further issue	4.37	●
March 31, 2010	200,000	100	100	Cash	Further issue	6.73	●
September 30, 2010	550,000	100	100	Cash	Further issue	18.51	●
April 8, 2013	(100,000)	100	600	Cash	Transfer of 97,230 equity shares of face value ₹ 100 each to Milestone I and 2,770 equity shares of face value ₹ 100 each to Milestone Trust	(3.36)	●
On March 31, 2015, the face value of our Equity Shares was sub-divided from ₹ 100 each to ₹ 10 each and consequently, 1,007,500 Equity Shares of ₹ 100 each held by Rahoul Jain became 10,075,000 Equity Shares of ₹10 each.							
December 31, 2016	25,198	10	12.50	Cash	Acquisition from Man Mohan Singh Jain and Atul Jain ⁽¹⁾	0.08	●
December 31, 2016	29,999	10	12.50	Cash	Acquisition from C.R Venkatesan, C N Rufus and M. Murugesan ⁽¹⁾	0.10	●
December 11, 2017	720,000	10	10	Cash	Allotment further to a rights issue	2.42	

Date of allotment/ transfer	Number of Equity Shares allotted/ transferred	Face value (₹)	Issue/ purchase/ selling price per Equity Share (₹)	Nature of consideration	Nature of acquisition/ transfer	Percentage of pre-Offer Equity Share capital (%)	Percentage of post-Offer Equity Share capital (%)*
Total	10,850,197					36.51	[•]

*To be updated at the time of filing of the Prospectus

⁽¹⁾ The transfer of the equity shares have been confirmed and ratified by a deed of ratification dated November 16, 2017.

Our Promoter has confirmed to our Company and the BRLMs that the acquisition of the Equity Shares forming part of the Promoter's Contribution have been financed from personal funds/internal accruals and no loans or financial assistance from any banks or financial institution has been availed by for this purpose. All the Equity Shares held by our Promoter were fully paid-up on the respective dates of acquisition of such Equity Shares.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged.

(b) Shareholding of our Promoter and Promoter Group

Set forth below is the shareholding of our Promoter and our Promoter Group, as on the date of this Draft Red Herring Prospectus.

Name of Shareholder	Pre-Issue		Post-Issue *	
	No. of Equity Shares	Percentage of issued Equity Share capital (%)	No. of Equity Shares	Percentage of issued Equity Share capital (%)
Promoter				
Rahoul Jain	10,850,197	36.51	[•]	[•]
Sub Total (A)	10,850,197	36.51	[•]	[•]
Promoter Group				
Shuchi Jain	8,869,800	29.84	[•]	[•]
Rishabh Jain	1	Negligible	[•]	[•]
Sub Total (B)	8,869,801	29.84	[•]	[•]
Total Promoter and Promoter Group (A) + (B)	19,719,998	66.35	[•]	[•]

*To be updated at the time of filing of the Prospectus

As on date of the Draft Red Herring Prospectus, 19,719,997 Equity Shares held by our Promoter and Promoter Group are in dematerialised form.

(c) Details of Promoter's contribution and lock-in for three years

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter shall be provided towards minimum Promoter's contribution and locked-in for a period of three years from the date of Allotment (the "Minimum Promoter's Contribution").

As on the date of this Draft Red Herring Prospectus, our Promoter holds 10,850,197 Equity Shares out of which up to 720,825 Equity Shares are being offered in the Offer for Sale and accordingly up to [•] Equity Shares are eligible for promoter's contribution.

Set forth below are the details of the Equity Shares that will be locked up as Minimum Promoter's Contribution for a period of three years from the date of Allotment of Equity Shares in the Offer.

Name of the Promoter	No. of Equity Shares to be locked-in	Date of allotment/ acquisition	Allotment/ acquisition price	Nature of transaction	Face value (₹)	% of pre-Offer Equity Share capital	% of the fully diluted post- Offer Equity Share capital
Rahoul Jain	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Name of the Promoter	No. of Equity Shares to be locked-in	Date of allotment/ acquisition	Allotment/ acquisition price	Nature of transaction	Face value (₹)	% of pre- Offer Equity Share capital	% of the fully diluted post- Offer Equity Share capital
Total	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Note: To be updated at the time of filing of the Prospectus

For details on the build-up of the Equity Share capital held by our Promoter, see “- *Build-up of Promoter’s shareholding in our Company*” on page 86.

Our Promoter has given consent to include such number of Equity Shares held by him as may constitute 20% of the fully diluted post- Offer Equity Share capital of our Company as Minimum Promoter’s Contribution. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter’s Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with SEBI ICDR Regulations.

The Minimum Promoter’s Contribution has been or shall be brought in to the extent of not less than the specified minimum lot and from persons identified as ‘Promoter’ under the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoter’s Contribution under Regulation 33 of the SEBI ICDR Regulations. In this regard we confirm that:

- (i) the Equity Shares offered as part of the Minimum Promoter’s Contribution do not comprise Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved or bonus issue out of revaluations reserves or unrealized profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoter’s Contribution;
- (ii) the Minimum Promoter’s Contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) our Company has not been formed by conversion of a partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm; and
- (iv) the Equity Shares held by our Promoter and offered as part of the Minimum Promoter’s Contribution are not subject to any pledge.

(d) Details of Equity Shares locked-in for one year

In terms of Regulation 37 of the SEBI ICDR Regulations, the entire pre- Offer Equity Share capital will be locked-in for a period of one year from the date of Allotment in the Offer, except (a) the Minimum Promoter’s Contribution which shall be locked in as above; (b) Equity Shares, which are successfully transferred as part of the Offer for Sale; and (c) Equity shares held by a venture capital fund or an alternative investment fund of category I or category II or a foreign venture capital investor, provided that such equity shares shall be locked in for a period of atleast one year from the date of purchase by the venture capital fund or the alternative investment fund or the foreign venture capital investor.

Any unsubscribed portion of the Equity Shares being offered by the Selling Shareholders in the Offer for Sale would also be locked in as required under the SEBI ICDR Regulations.

(e) Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(f) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, Equity Shares held by our Promoter and locked-in for one year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoter's Contribution for three years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by our Promoter may be transferred between our Promoter and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the "**Takeover Regulations**").

Further, in terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoter prior to the Offer and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

3. *Shareholding of our Selling Shareholders*

Set forth below is the shareholding of our Selling Shareholders, as on the date of this Draft Red Herring Prospectus.

Name of Selling Shareholder	Pre-Issue		Post-Issue *	
	No. of Equity Shares held	Percentage of issued Equity Share capital (%)	No. of Equity Shares	Percentage of issued Equity Share capital (%)
Rahoul Jain	10,850,197	36.51	[●]	[●]
Shuchi Jain	8,869,800	29.84	[●]	[●]
Milestone I	9,722,300	32.71	[●]	[●]
Milestone Trust	277,700	0.93	[●]	[●]

**To be updated at the time of filing of the Prospectus*

[REMAINDER OF THE PAGE KEPT INTENTIONALLY BLANK]

4. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of the Shareholder (II)	No. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C 2) (VIII)	No. of Voting Rights held in each class of securities (IX)				No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+ (X) as a % of (A+B+C 2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized from (XIV)
								No. of Voting Rights			Total as a % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class: Equity	Class:N. A	Total								
(A)	Promoter & Promoter Group	3	19,719,998	Nil	Nil	19,719,998	66.35	19,719,998	Nil	19,719,998	66.35	Nil	66.35	Nil	Nil	Nil	Nil	19,719,997
(B)	Public	2	10,000,000	Nil	Nil	10,000,000	33.65	10,000,000	Nil	10,000,000	33.65	Nil	33.65	Nil	Nil	Nil	Nil	10,000,000
(C)	Non Promoter-Non Public	2	2	Nil	Nil	2	Negligible	2	Nil	2	Negligible	Nil	Negligible	Nil	Nil	Nil	Nil	NIL
(1)	Shares underlying Custodian/Depository Receipts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NIL
(2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	NIL
	Total (A)+(B)+(C)	7	29,720,000	Nil	Nil	29,720,000	100	29,720,000	Nil	29,720,000	100	Nil	100	Nil	Nil	Nil	Nil	NIL

5. The BRLMs and their respective associates (in accordance with the definition of ‘associate company’ under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The BRLMs and their respective associates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.

6. **Shareholding of our Directors and Key Managerial Personnel in our Company**

None of our Directors and Key Management Personnel hold Equity Shares in our Company, as on the date of this Draft Red Herring Prospectus, except Rahoul Jain and Shuchi Jain, each holding 10,850,197 Equity Shares and 8,869,800 Equity Shares, respectively.

7. As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders.

8. **10 largest shareholders of our Company**

- (a) Our Company has seven Shareholders as on the date and ten days prior to the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below:

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Rahoul Jain	10,850,197	36.51
2.	Milestone I	9,722,300	32.71
3.	Shuchi Jain	8,869,800	29.84
4.	Milestone Trust	277,700	0.93
5.	C.R. Venkatesan	1	Negligible
6.	Rishabh Jain	1	Negligible
7.	Nanda Kumar Krishnan	1	Negligible
	Total	29,720,000	100.00

- (b) Our Company had nine Shareholders two years prior to the date of this Draft Red Herring Prospectus and the number of Equity Shares held by them are as set forth below:

S. No.	Shareholder	Number of Equity Shares held	Percentage of Equity Share capital (%)
1.	Rahoul Jain	10,075,000	34.74
2.	Milestone Private Equity Fund	9,722,300	33.53
3.	Shuchi Jain	8,869,800	30.59
4.	Milestone Army Trust Fund	277,700	0.96
5.	Atul Jain	15,200	0.05
6.	Manmohan Singh Jain	10,000	0.03
7.	C. N. Rufus	10,000	0.03
8.	C. R. Venkatesan	10,000	0.03
9.	M. Murugesan	10,000	0.03
	Total	29,000,000	100.00

For details relating to the cost of acquisition of Equity Shares by our Promoter, see “**Risk Factors - Prominent Notes**” on page 47.

9. Except the rights issue on December 11, 2017 to Rahoul Jain and the transfer of one Equity Share to Rishabh Jain, none of our Promoter, members of our Promoter Group or our Directors or their immediate relatives have sold or purchased, or financed the sale or purchase of, Equity Shares in our Company and our Subsidiary by any other person, other than in the normal course of business of the financing entity, during the six months immediately preceding the date of this Draft Red Herring Prospectus.
10. As on date of this Draft Red Herring Prospectus, 29,719,997 Equity Shares are in dematerialized form. We undertake to dematerialize all Equity Share prior to filing of the Red Herring Prospectus with the RoC.

11. The Equity Shares being offered by us through the offer for sale by the Selling Shareholders have been held by the Selling Shareholders for at least one year prior to the filing of this Draft Red Herring Prospectus.
12. Our Company, our Promoter, members of our Promoter Group, our Directors and the BRLMs have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares being offered through this Offer from any person.
13. Except the rights issue on December 11, 2017, our Company has not made any public or rights issue of any kind or class of securities since its incorporation.
14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, our Directors, Promoter or the members of our Promoter Group, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise to any Bidder for making a Bid. Further, no payment, direct or indirect benefit in the nature of discount, commission and allowance or otherwise shall be offered or paid either by our Company or our Promoter to any person in connection with making an application for or receiving any Equity Shares pursuant to this Offer.
15. None of the Equity Shares being offered through the Offer are pledged or otherwise encumbered.
16. Under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.
17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued pursuant to this Offer shall be fully paid-up.
18. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.
19. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
20. As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan.
21. The Offer is being made in terms of Regulation 26(1) of the SEBI ICDR Regulations and through a Book Building Process wherein 50% of the Net Offer shall be allocated on a proportionate basis to QIBs. Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third shall be available for allocation to domestic Mutual Funds only. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs, to participate in the Offer. For further details, see “**Offer Procedure**” on page 348.
22. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.
23. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
24. There will be no further issue of Equity Shares 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 filing of the

Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

25. Our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity through issue of further Equity Shares.
26. None of our Promoter or the members of our Promoter Group will participate in the Offer except to the extent of the shares being offered in the Offer for Sale.
27. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
28. Except for Mutual Funds sponsored by entities related to the BRLMs, Syndicate Members and any persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion.
29. Our Company shall ensure that any transactions in the Equity Shares by our Promoter and the Promoter Group during the period between the date of registering the Red Herring Prospectus filed in relation to this Offer with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of [●] Equity Shares, aggregating up to ₹ 1,710 million by our Company and an Offer for Sale of up to 7,643,000 Equity Shares, aggregating to ₹ [●] million by the Selling Shareholders.

The Offer for Sale

Each of the Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale after deducting their portion of the Offer related expenses and relevant taxes thereon. Other than the listing fees (which shall be borne by our Company), all expenses in relation to the Offer will be shared among our Company and the Selling Shareholders in proportion to the Equity Shares being offered or sold by them, respectively, pursuant to the Offer and in accordance with applicable laws. Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders. Each Selling Shareholder shall reimburse our Company for all expenses incurred by our Company on behalf of such Selling Shareholders, in relation to the Offer.

The Fresh Issue

The proposed objects of the net proceeds of the Fresh Issue (“**Net Proceeds**”) are:

- Repayment/pre-payment, in full or in part, of certain indebtedness of our Company;
- Investment in our Subsidiary, Gonglu for repayment / pre-payment of certain borrowings availed by it; and
- General corporate purposes.

The main objects and the objects incidental and ancillary to the main objects of our MoA enable our Company to undertake (i) our existing business activities; (ii) activities for which funds are being raised by us through the Fresh Issue; and (iii) activities undertaken for which loans were drawn and which are proposed to be repaid/pre-paid in full or in part from the Net Proceeds.

Net Proceeds

The details of the proceeds of the Offer are summarized in the table below:

(in ₹ million)

Sl. No.	Particulars	Amount [§]
(a)	Gross Proceeds of the Fresh Issue	1,710
(c)	Offer Expenses (only those apportioned to our Company)*	[●]
(d)	Net Proceeds (excluding the Offer Expenses to be borne by our Company) (“ Net Proceeds ”)	[●]

[§]To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

*Our Company will bear all costs, charges, fees and expenses associated with and incurred in connection with this Offer, other than such costs, charges, fees or expenses required to be borne by our Company and the Selling Shareholders in proportion to the Equity Shares being offered by each of our Company and the Selling Shareholders in this Offer, in accordance with applicable law.

Requirement of Funds, Schedule of Implementation and Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised as set forth in the table below:

(in ₹ million)

Sl. No.	Particulars	Amount	Estimated Utilization in fiscal 2019
1.	Repayment/ pre-payment in full or in part of certain indebtedness of our Company	1,000	1,000
2.	Investment in our Subsidiary, Gonglu, for repayment / pre-payment in full or in part of certain borrowings availed by it	410	410
3.	General corporate purposes [§]	[●]	[●]

[§]To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described above during fiscal 2019, as applicable. In case a shortfall in the Net Proceeds, our management may explore alternate means of such repayment/pre-payment (as the case maybe), including utilisation of our internal accruals or further debt financing.

Means of Finance

We propose to fund the requirements of the objects detailed above entirely from the Net Proceeds. Accordingly, Paragraph VII C of Part A of Schedule VIII of the SEBI ICDR Regulations (which requires firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue) does not apply.

Our fund requirements and deployment of the Net Proceeds are based on our current business plan and internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. We operate in a highly competitive and dynamic industry and may have to revise our estimates from time to time on account of changes in external circumstances or costs, or changes in other financial conditions, business or strategy. In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements may be financed through our internal accruals and/or incremental debt, as required.

In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, due to any reason, the same shall be utilized (in part or full) in the subsequent period as may be determined by our Company, in accordance with applicable law. 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, and general corporate purposes, to the extent that the total amount to be utilized towards the general corporate purposes will not exceed 25% of the Gross Proceeds of the Fresh Issue in compliance with the SEBI ICDR Regulations. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Details of the Utilisation of Net Proceeds

1. *Repayment/pre-payment in full or in part of certain outstanding indebtedness of our Company*

Our Company has entered into various financing arrangements with banks and financial institutions. The borrowing arrangements entered into by our **Company** include short and long term borrowings. As on December 31, 2017 the amount outstanding under the borrowing arrangements entered into by our Company (on a consolidated basis) was ₹ 2,465.31 million. For details of these financing arrangements, including indicative terms and conditions, see “**Financial Indebtedness**” beginning on page 302.

We intend to utilize the Net Proceeds aggregating up to ₹ 1,000 million towards full or partial repayment/pre-payment of certain outstanding indebtedness (as indicated in the table below) availed by our Company.

In due course of business, due to various operational benefits, our Company may explore possibilities of other banks participating in existing loans either in full or in part, including the loans mentioned above. Some of our financing arrangements provide for the levy of pre-payment penalties. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding loan amounts may vary from time to time. In the event that there are any pre-payment penalties required to be paid under the terms of the relevant financing agreements, such pre-payment penalties shall be paid by our Company out of our internal accruals.

The repayment/pre-payment of these facilities will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

Our Company may consider the following factors for identifying the loans that will be repaid out of the Net Proceeds:

1. costs, expenses and charges relating to the facility including interest rates involved;
2. presence of onerous terms and conditions under the facility;
3. ease of operation of the facility;
4. levy of any prepayment penalties and the quantum thereof;
5. provisions of any law, rules, regulations governing such borrowings;
6. terms of repayment/pre-payment to lenders, if any;

7. mix of credit facilities provided by lenders; and
8. other commercial considerations including, among others, the interest rate on the loan facility, the amount of loan outstanding and the remaining tenor of the loan.

These borrowings have been availed for various purposes including financing our business expansion plans, capital expenditure, refinancing of existing debt, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion As certified by R. Subramanian and Company LLP, Chartered Accountants, through their certificate dated February 2, 2018, the loans set out below have been utilized by our Company in accordance with the purpose for which they were availed as set out in the respective borrowing arrangements. R. Subramanian and Company LLP, the Chartered Accountants have further certified that none of the borrowings that are intended to be repaid out of the Net Proceeds have been utilized for any payment to or refinancing of any loans availed from any Group Company or Promoter Group.

The following tables provide details of the loans availed by our Company, any of which, are proposed to be repaid/prepaid, in full or in part from the Net Proceeds:

Sl. No.	Name of lender and documentation	Nature and purpose of loan facility availed	Sanctioned Amount (in ₹ million)	Rate of interest December 31, 2017 (%)	Repayment Schedule	Prepayment Penalty, if any	Amount outstanding as on December 31, 2017 (in ₹ million)
1.	State Bank of India Sanction letter dated February 27, 2017 issued by the State Bank of India;	Working capital consortium facility for working capital requirements	850	10.90	Payable on Demand	Nil	390.17
	IDBI Bank Sanction letter dated March 13, 2017 issued by the IDBI Bank,		450	11.15	Payable on Demand	Nil	64.30
	RBL Bank Sanction letter dated April 4, 2017 issued by the RBL Bank Limited;		200	10.50	Payable on demand for certain sub-limits and repayable at the expiry of six to twelve months for certain sub-limits	Nil	110.21
	Indian Bank Sanction letter dated April 3, 2017 issued by the Indian Bank;		200	10.65	Payable in 60 monthly installments from the date of the first availment after a holiday period of one year	Nil	88.09
	DBS Bank Limited Sanction letter dated May 25, 2017 issued by		200	10	Payable on demand	Nil	118.36

	the DBS Bank Limited						
	Citi Bank Sanction letter dated April 27, 2017 issued by the Citi Bank		250	9	Payable on demand	Pre-payment penalty at the rate of 2% of sanction amount or principal outstanding whichever is higher, at the discretion of the lender.	6.41
	HDFC Bank Sanction letter dated April 6, 2017 issued by the HDFC Bank		350	9.2	Payable within 180 days to 330 days from the date of the sanction of the facility	Pre-payment penalty at the rate of 2% for the sanctioned loan amount.	200
2.	Lender: State Bank of India Documentation: 1)Sanction letter dated August 20, 2013 for term loan I; 2)Sanction letter dated February 14, 2015 for term loan II; 3)Sanction letter dated February 27, 2017 for term loan III; and 4) Sanction letter dated February 27, 2017	Term loan facility I	182.00	13.30	Payable in 48 monthly installments starting from April 2014 till March 2018	Waiver of 50% pre-payment penalty if the pre-payment is made from infusion of additional capital	5.41
		Term loan facility II		13.30	Payable in 48 monthly installments with a moratorium period of one year	Nil	26.15
		Term loan facility III		10.60	Payable in 48 monthly installments with a moratorium period of one year	2 % of the pre-paid amount	10.02
		Buyer's Credit (Foreign Currency)		10.60	Payable in 48 monthly installments with a moratorium period of one year	2 % of the pre-paid amount	22.98* [^] [^] after adjusting for margin money of ₹ 8.64 million
3.	Lender: ICICI Bank Limited Documentation:	Term loan facility I	149.00	5	Payable in 48 monthly installments starting from April 2014	Our Company would have an option to prepay the loan amount	3.12 [#]

	1)Sanction letter dated October 18, 2013 for term loan I;					without any pre-payment penalty within 45 days of reset of the “spread”, provided that an irrevocable notice to prepay has been given to the lender by our Company within 15 days of reset of the “spread”.	
	2)Sanction letter dated April 10, 2014 for term loan II; and					Except as stated above, if our Company wishes to prepay the facility, there will be a penalty of 1% imposed on the principal amount and our Company has to give a 15 days’ notice to the lender.	
	3)Sanction letter dated March 28, 2017 for term loan III;						
		Term loan facility II		5.27	Payable in 54 monthly installments starting from October 2014.	Nil	17.76 [#]
		Term loan facility III		6.20	Payable in 48 monthly installments.	Pre-payment penalty will be communicated at the time of pre-payment	32.05 [#]

4.	Lender: Indian Bank	Term loan facility	83.6	12.10	Payable in 60 monthly installments after a moratorium period of 12 months	Nil	15.99
	Documentation: 1) Sanction letter dated February 14, 2015; and 2) Sanction letter dated February 14, 2015.	Buyer's Credit (Foreign Currency)		12.10	Payable in 60 monthly installments after a moratorium period of 12 months	Nil	30.94*
5.	Lender: Citi Bank	Term loan facility	67.5	10	Payable in five years with an initial moratorium period of one year	Pre- payment penalty at the rate of 2% of the sanction amount or principal outstanding, whichever is higher, at the discretion of the lender	11.34
	Documentation: 1) Sanction Letter dated April 27, 2017; and 2) Sanction Letter dated April 27, 2017	Buyer's Credit (Foreign Currency)		10	Payable in five years with an initial moratorium period of one year	Pre- payment penalty at the rate of 2% of the sanction amount or principal outstanding, whichever is higher, at the discretion of the lender	55.22 [#]

The payment of the applicable interest amount, shall be made out of the internal accruals.

2. Investment in our Subsidiary, Gonglu, for repayment / pre-payment, in full or in part, of certain borrowings availed by it

We intend to utilise a part of the Net Proceeds amounting to ₹ 410 million to make an investment in our Subsidiary, Gonglu. The investment in Gonglu by our Company may be in the form of debt or equity or in any other manner as may be mutually decided between our Company and Gonglu and subsequently approved by our Board. The actual mode of investment has not been finalised as on the date of this Draft Red Herring Prospectus and will be finalized prior to filing the Red Herring Prospectus or the Prospectus with the RoC. Gonglu intends to utilise this investment for repayment/pre-payment in full or in part of the borrowings (as indicated in the table below) availed by it. The proposed investment and the subsequent repayment/pre-payment in full or in part of loans availed by Gonglu, will help reduce our outstanding indebtedness and interest costs on a consolidated basis. In addition, we believe that this

would improve our ability to raise further resources in the future to fund potential business development opportunities. The following table sets forth provides details of the borrowings availed by Gonglu which is currently proposed to be pre-paid from the investment proposed to be made by our Company in Gonglu by utilising the Net Proceeds:

(in ₹ million)

Sl. No.	Lender and documentation	Nature and purpose of loan facility availed	Sanctioned Amount (in ₹ million)	Rate of interest as on December 31, 2017 (%)	Repayment Schedule	Prepayment Penalty	Amount outstanding as on December 31, 2017*
1.	Axis Bank Term Loan Agreement dated May 27, 2017	Term loan facility	111.92	10.75	Payable within five months to 20 months from the date of the sanction of the facility.	i)Pre-payment without any pre-payment penalty or premium in the following circumstances – penal charges are levied at 2% in case of pre-payment or take over of term loan facilities by any other bank or financial institution; ii)Pre-payment penalty or premium in all other circumstances (excluding (i))	58.02
2.	DBS Bank Limited Sanction letter dated May 23, 2017	Working capital facility for working capital requirements	200	8.25	Payable on demand	Pre-payment penalty would be on the discretion of the lender.	197.16
3.	Axis Bank Limited Working Capital Loan Agreement dated May 27, 2017	Working capital facility for working capital requirements	250	9.70	Payable within five months to 20 months from the date of the sanction of the facility.	i)Pre-payment without any pre-payment penalty or premium in the following circumstances – penal charges are levied at 2% in case of pre-payment or take over of term loan facilities by any other	243.27

Sl. No.	Lender and documentation	Nature and purpose of loan facility availed	Sanctioned Amount (in ₹ million)	Rate of interest as on December 31, 2017 (%)	Repayment Schedule	Prepayment Penalty	Amount outstanding as on December 31, 2017*
						bank or financial institution; ii)Pre-payment penalty or premium in all other circumstances (excluding (i))	

Note: #USD converted at ₹63.9273, exchange rate as on December 29, 2017

*Euro converted at ₹76.3867, exchange rate as on December 29, 2017

Note: For details of securities offered in relation to the loan facilities, see “**Financial Indebtedness**” beginning on page 302.

Our Company will approach the lenders after completion of this Offer for repayment/ prepayment of some of the above loans availed by our Company and our Subsidiary as mentioned in 1 and 2 above. The amounts under our loan facilities may be dependent on various factors and may include intermediate repayments/pre-payments and drawdowns. Accordingly, it may be possible that amount outstanding under our loan facilities may vary from time to time. We may, from time to time, repay/prepay, refinance, enter into further financing arrangements or draw down funds from any such existing term loan facilities. In such event, we may utilize the Net Proceeds towards repayment/pre-payment of any existing or additional indebtedness which will be selected based on various commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, any conditions attached to the borrowings restricting our ability to pre-pay/ repay the borrowings, receipt of consents for pre-payment from the respective lenders and applicable law governing such borrowings. In the event that the outstanding amounts were to vary prior to filing of the Red Herring Prospectus with the RoC, we may revise our utilization of the Net Proceeds towards repayment/pre-payment of amounts under the identified loans, subject to compliance with the SEBI ICDR Regulations, Companies Act and other applicable laws.

We may be required to obtain the prior consent of or notify certain of our lenders prior to the repayment/pre-payment. Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. Payment of pre-payment penalty or premium, if any, shall be made by our Company from the internal accruals. If the Net Proceeds are insufficient for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

3. General corporate purposes

The Net Proceeds will be first utilized towards the Objects of the Fresh Issue mentioned above. The balance aggregating to [●] is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations and utilised for including but not limited to strategic initiatives, partnerships and joint ventures, meeting fund requirements which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business including salaries and wages, rent, administration expenses, insurance related expenses, repairs and maintenance and the payment of taxes and duties and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company’s management, in accordance with the policies of the Board, will have flexibility in utilising any surplus amounts.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board based on the permissible amount actually available under the head ‘General Corporate Purposes’ and the business requirements of our Company, from time to time. Our Company’s management, in accordance with the policies of the Board subject to applicable laws, will have flexibility in utilizing any surplus amounts.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees (which shall be borne by our Company), underwriting fees, selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Escrow Collection Banks to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Offer shall be borne by our Company. The estimated Offer expenses are as follows:

(₹ in million)

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer Expenses*	As a % of Offer Size*
1.	Fees payable to the BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs ⁽¹⁾⁽²⁾	[●]	[●]	[●]
3.	Brokerage, selling commission and bidding charges for the members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs ⁽³⁾⁽⁴⁾	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
5.	Listing fees, SEBI filing fees, book building software fees and other regulatory expenses, printing and stationery expenses, advertising and marketing expenses for the Offer and fees payable to the legal counsel	[●]	[●]	[●]
6.	Other Advisors to the Offer	[●]	[●]	[●]
7.	Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Expenses	[●]	[●]	[●]

*To be incorporated in the Prospectus after finalization of the Offer Price.

(1) Selling commission payable to the SCSBs on the portion for Retail Individual Investors and portion for Non-Institutional Investors, which are directly procured by them would be indicatively as follows:

Portion for Retail Individual Investors *	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Portion for Non-Institutional Investors*	₹ [●] per valid Bid cum Application Form (plus applicable taxes)

*Based on valid Bid cum Application Forms

No additional processing/uploading charges shall be payable by our Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

(2) Processing fees payable to the SCSBs on the portion for Retail Individual Investors, portion for Non-Institutional Investors, which are procured by the members of the Syndicate /Sub-Syndicate /Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Retail Individual Investors	₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)
Portion for Non-Institutional Investors	₹ [●] per valid Bid cum Application Forms* (plus applicable taxes)

*Based on valid Bid cum Application Forms

(3) Selling commission on the portion for Retail Individual Investors, the portion for Non-Institutional Investors which are procured by Syndicate Members (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Investors	₹ [●] per valid Bid cum Application Form* (plus applicable taxes)
Portion for Non-Institutional Investors	₹ [●] per valid Bid cum Application Form* (plus applicable taxes)

*Based on valid Bid cum Application Forms

In addition to the selling commission referred above, any additional amount(s) to be paid by our Company and Selling Shareholders shall be as mutually agreed amongst the Book Running Lead Managers, their respective Syndicate Members, our Company and Selling Shareholders before the opening of the Offer.

Bidding Charges: ₹ [●] per valid application bid by the syndicate

(4) Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Investors	₹ [●] per valid Bid cum Application Form* (plus applicable taxes)
Portion for Non-Institutional Investors	₹ [●] per valid Bid cum Application Form* (plus applicable taxes)

* Based on valid Bid cum Application Forms

Note: The total E-IPO commission to Registered Brokers, RTAs and CDPs shall not be more than that of the Capped E-IPO Commission (defined below)

Capped E-IPO Commission is a sum of ₹ [●] plus applicable taxes which shall be the maximum commission payable by our Company and the Selling Shareholders to Registered Brokers, RTAs and CDPs.

All costs, fees and expenses in respect of the Offer (other than listing fees) shall be shared by our Company and the Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, upon the successful completion of the Offer, in accordance with applicable law. Upon the successful completion of the Offer, each of the Selling Shareholders agree that they shall severally and not jointly reimburse our Company, on a pro-rata basis, in proportion to their respective Offered Shares sold pursuant to the Offer, for any expenses (other than listing fees) incurred by our Company on behalf of the Selling Shareholders.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with the scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such deposits will be approved by our management from time to time and our management will have flexibility to deploy the Net Proceeds. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the Net Proceeds, it shall not use the funds for any investment in any other equity or equity linked securities.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including any other short-term instruments like non-convertible debentures, commercial papers, etc. pending receipt of the Net Proceeds.

Monitoring of Utilization of Net Proceeds

In terms of Regulation 16 of the SEBI ICDR Regulations, we have appointed [●] as the monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors. Further, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the objects of the Offer as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the objects of the Offer as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Variation in Objects of the Fresh Issue

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders. Additionally in accordance with Section 27 of the Companies Act, 2013, our Company confirms that, it shall not use the Net Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. The details as prescribed shall simultaneously be published in the newspaper, one in English and one in the vernacular language of the jurisdiction where the Registered and Corporate Office is situated. Pursuant to the Companies Act 2013, the Promoter or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and provisions of Chapter VI A of the SEBI ICDR Regulations.

Appraising Agency

None of the Objects of the Offer for which the Net Proceeds will be utilized have been appraised by any agency.

Other Confirmations

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoter, members of the Promoter Group, Directors, Group Entities or key managerial employees. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with Promoter, Directors, Key Management Personnel or our Group Company in relation to the utilization of the Net Proceeds. Further, we confirm that our Company, Promoter, members of our Promoter Group, and our Group Company, are not related to the entities that have provided quotations for the purchase of capital equipment by our Company, as stated above.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also see “*Our Business*”, “*Risk Factors*” and “*Financial Information*” on pages 147, 17 and 198, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Leading player in the fruits and vegetable processing industry with a wide array of products;
- Strong relationships with the large and emerging global and Indian companies and brands;
- Strategically located multi-functional production facilities with quality certifications;
- Large scale procurement and storage capabilities; and
- Experienced Promoter and management team;

For further details, see “*Our Business – Competitive Strengths*” and “*Risk Factors*” on pages 149 and 17 respectively.

Quantitative Factors

Certain information presented below relating to us is based on the Restated Consolidated Financial Information and Restated Standalone Financial Information prepared in accordance with Indian GAAP, the Companies Act, 1956 and the Companies Act 2013 and restated in accordance with the SEBI ICDR Regulations.

For further details, see “*Financial Information*” on page 198.

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

- **Basic and Diluted Earnings Per Share (“EPS”), as adjusted for change in capital:**

As per our Restated Consolidated Financial Information:

Year ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	3.38	1	3.38	1
March 31, 2016	4.96	2	4.96	2
March 31, 2017	7.90	3	7.90	3
Weighted Average	6.17		6.17	
Six months period ended 30 th September 2017*	4.91		4.91	

* *Not Annualized*

As per our Restated Standalone Financial Information:

Year ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	4.39	1	4.39	1
March 31, 2016	6.38	2	6.38	2
March 31, 2017	7.65	3	7.65	3
Weighted Average	6.68		6.68	
Six months period ended 30 th September 2017*	6.92		6.92	

* *Not Annualized*

Notes:

i. The ratios have been computed as follows:

$$\begin{aligned}
 \text{(a) Adjusted Earnings Per Share (Basic)} &= \frac{\text{A: Restated consolidated profit after tax attributable to equity shareholders}}{\text{D: Weighted average number of equity shares outstanding}} \\
 \text{(b) Adjusted Earnings Per Share (Diluted)} &= \frac{\text{B: Adjusted restated consolidated profit after tax attributable to equity shareholders}}{\text{E: Adjusted weighted average number of equity shares outstanding}}
 \end{aligned}$$

ii. Restated/Adjusted restated consolidated profit after tax attributable to equity shareholders mentioned in (i)(a) and (b) = Restated net profit after tax – Unamortised preliminary expenses (included in Annexure XV B – Other current assets)

iii. Weighted average number of shares represents the number of equity shares outstanding at the beginning of the period, adjusted by the number of equity shares issued during year, multiplied by the time weight factor. The time weight factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

• **Price/Earning (P/E) ratio in relation to Offer Price Band of ₹[●] to ₹[●] per Equity Share**

Particulars	P/E at the lower end of price band (no. of times)	P/E at the higher end of price band (no. of times)
Based on basic EPS for the financial year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on basic EPS for the financial year ended March 31, 2017 on a consolidated basis	[●]	[●]
Based on diluted EPS for the financial year ended March 31, 2017 on a standalone basis	[●]	[●]
Based on diluted EPS for the financial year ended March 31, 2017 on a consolidated basis	[●]	[●]

Industry Peer Group P/E

- i. Highest: 26.8
- ii. Lowest: 21.4
- iii. Industry Composite: 23.8

Note:

P/E Ratio has been computed based on the closing market price of equity shares as on January 10, 2018 on BSE, divided by the Basic EPS.

• **Return on Net Worth (“RoNW”):**

As per our Restated Consolidated Financial Information:

Year ended	RoNW (%)	Weight
March 31, 2015	5.49	1
March 31, 2016	7.44	2

March 31, 2017	10.58	3
<i>Weighted Average</i>		8.69
Six months period ended 30 th September 2017*		6.17

* *Not Annualized*

As per our Restated Standalone Financial Information:

Year ended	RoNW (%)	Weight
March 31, 2015	7.00	1
March 31, 2016	9.23	2
March 31, 2017	9.96	3
<i>Weighted Average</i>		9.22
Six months period ended 30 th September 2017*		8.27

* *Not Annualized*

Note:

- (a) Return on Networkworth =
$$\frac{\text{A: Restated consolidated profit after tax attributable to equity shareholders}}{\text{F: Restated Networkworth, end of period}}$$
- (b) Restated Networkworth mentioned above = Total paid-up share capital + Reserves and surplus (including Securities premium account and Surplus in the Restated Consolidated Summary Statement of Profit and Loss) - Unamortised preliminary expenses (included in Annexure XV B – Other current assets)

- **Minimum Return on Increased Net Worth after the Offer needed to maintain Pre-Offer EPS for the year ended March 31, 2017:**

a) For Basic EPS

Particulars	Standalone (%)	Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

b) For Diluted EPS

Particulars	Standalone (%)	Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

- **Net Asset Value[#] (“NAV”) per Equity Share of face value of ₹10 each:**

NAV	Standalone (₹)	Consolidated (₹)
At on March 31, 2017	76.76	74.66
After the Issue		
- At the Floor Price	[●]	[●]
- At the Cap Price	[●]	[●]
Offer Price	[●]	[●]

- As per the Restated Consolidated Financial Information and Restated Standalone Financial Information, the net asset value per Equity Share as on September 30, 2017 is ₹ 79.60 and ₹83.68.

Note:

Net Asset Value per Equity Share represents net worth, as restated consolidated, divided by the number of Equity Shares outstanding at the end of the period.

• **Comparison with listed Industry Peers:**

Name of the company	Total Revenue	Face Value per Equity Share (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%)	Net Asset Value / Share (₹)
Foods & Inns Ltd*	3,580.70	10	26.8	49.0	11.7	391.9
Flex Foods Ltd	870.40	10	21.4	6.3	10.3	61.1
Freshtrop Fruits Ltd	1,437.90	10	23.3	7.42	16.2	45.8
Average	1,963.00	10	23.81	20.90	12.73	166.27

Source: All financial information for listed industry peers mentioned above is presented on a consolidated basis and is sourced from the annual report of the respective company, for the year ended March 31, 2017.

Note:

- Basic EPS (on consolidated basis) is based on the annual results of such companies for the fiscal Year 2017 as submitted to the stock exchanges
- P/E Ratio has been computed based on the closing market price of equity shares as on January 10, 2018 on BSE, divided by the Basic EPS provided under Note (1)
- RoNW (%) has been computed as profit after tax divided by the net worth for the fiscal 2017
- Return on Net-worth = Consolidated net profit at the end of the year divided by the networth for the fiscal 2017.
- NAV / Share = Networth as at the end of the year divided by outstanding shares at the end of the year

* Reserves & Surplus is less of -: Cash flow Hedge Reserve of ₹ 11.36 million and Foreign Currency Translation Reserve of ₹0.03 million

• **The Offer price is [●] times of the face value of the Equity Shares**

The Offer Price of ₹ [●] has been determined by our Company in consultation with the Book Running Lead Managers on the basis of the demand from investors for the Equity Shares through the Book-Building Process. Our Company and Book Running Lead Managers is justified in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with “**Our Business**”, “**Risk Factors**” and “**Financial Statements**” on pages 147, 17 and 198, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

The Board of Directors
Capricorn Food Products India Limited
Old No.AH-216, New No.AH-11 2nd Street
Shanthi Colony, Anna Nagar
Chennai 600 040
Tamil Nadu, India

(the “Company”)

Ladies and Gentlemen:

Re: Statement of possible special tax benefits available to Capricorn Food Products India Limited and its shareholders

We, R. Subramanian and Company LLP, Statutory Auditors of the Company, hereby confirm that the enclosed **Annexure A** states the possible special tax benefits available to the Company and the shareholders of the Company, under the Income Tax Act, 1961, as amended and other direct tax laws presently in force in India. Several of 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 tax benefits is dependent upon fulfilling such conditions, which, based on the business imperatives the Company may face and accordingly the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed **Annexure A** cover only special tax benefits and do not cover general tax benefits available to the Company or its shareholders. We are informed that the Annexure is only intended to provide general information to the investors and hence it is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his/ her/ their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither we are suggesting nor advising the investor to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- i. The Company or its shareholders will continue to obtain these benefits in future; or
- ii. The conditions prescribed for availing the benefits, where applicable have been or would be met with; or
- iii. The revenue authorities/ courts will concur with views expressed herein.

The contents of this Annexure are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. The certificate is based on the existing provisions of tax laws and its interpretations, which are subject to amendments every fiscal year and changes from time to time. We do not assume responsibility to update the changes.

This report is intended solely for your information and for inclusion in the Offer Documents in connection with the Offer and is not to be used, referred to or distributed for any other purpose without prior written consent.

Sincerely,
For R. Subramanian and Company LLP
Chartered Accountants
Firm Registration No.: 004137S/S200041

R Kumarasubramanian

Partner

Membership No. 021888

Place: Chennai

Date: February 2, 2018

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

Outlined below are the possible Special tax benefits available to the Company, Subsidiaries, and its shareholders under the tax laws in force in India (*i.e.* applicable for the Financial Year 2016-17 relevant to the assessment year 2017-18). 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 or may not choose to fulfil.

A. Under the Income Tax Act, 1961 (“the Act”)

1. Tax Holiday Under Section 80IB Of The Act Available To The Company

In accordance with section 80-IB, the company can claim, subject to fulfilment of certain conditions, the amount of deduction in a case of industrial undertaking deriving profit from the business of setting up and operating a cold chain facility for agricultural produce, shall be hundred per cent of the profits and gains derived from such industrial undertaking for five assessment years beginning with the initial assessment year and thereafter, thirty per cent of the profits and gains derived from the operation of such facility in a manner that the total period of deduction does not exceed ten consecutive assessment years.

2. Additional Depreciation Under 32AD Of The Act Available To The Company

In accordance with and subject to the conditions specified in Section 32AD of the Act, the Company may be entitled for deduction of additional depreciation @ 35% from profits or gains derived from an industrial undertaking located in notified backward areas for specified states

3. Deduction in respect of employment of new employees – 80JJAA

Where the gross total income of an assessee to whom section 44AB applies, includes any profits and gains derived from business, there shall, subject to the conditions specified, be allowed a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

Notes:

1. All the above benefits are as per the current tax law and any change or amendment in the laws/regulation, which when implemented would impact the same.
2. The stated benefits will be available only to the sole/ first named holder in case the equity shares are held by joint holders.
3. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/ her participation in the Offer.
4. The above statement of possible special tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of Equity Shares held as investment (and not as stock in trade). Investors are advised to consult their tax advisors with respect to the tax consequences of the purchase, ownership and disposal of the Equity Shares.
5. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The market research process for this study has been undertaken thorough secondary / desktop research as well as Primary research, which involves discussing the status of the market with leading participants and experts. The Research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews by way of primary research as well as from trusted portals, and therefore, the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan's estimates and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements. This study has been prepared for inclusion in the Prospectus and Offering Memorandum of Capricorn Food Products India Limited in relation to an initial public offering in connection with its listing on one of the leading global stock exchanges.

This report and extracts thereof are for use in the Prospectus and Offering Memorandum issued by the Company and all presentation materials (including press releases) prepared by or on behalf of the Company (and reviewed by Frost & Sullivan) in relation to the Listing exercise.

The company is permitted to use the same in internal and external communications as needed in the context of the Listing exercise. However, no part of the report may be distributed for any other commercial gain to parties not connected with the said Listing exercise.

This report has exclusively been prepared for the consumption of Capricorn Food Products India Limited, in terms of our consent letter dated December 11, 2017, and any unauthorized access to or usage of this material by others is forbidden and illegal.

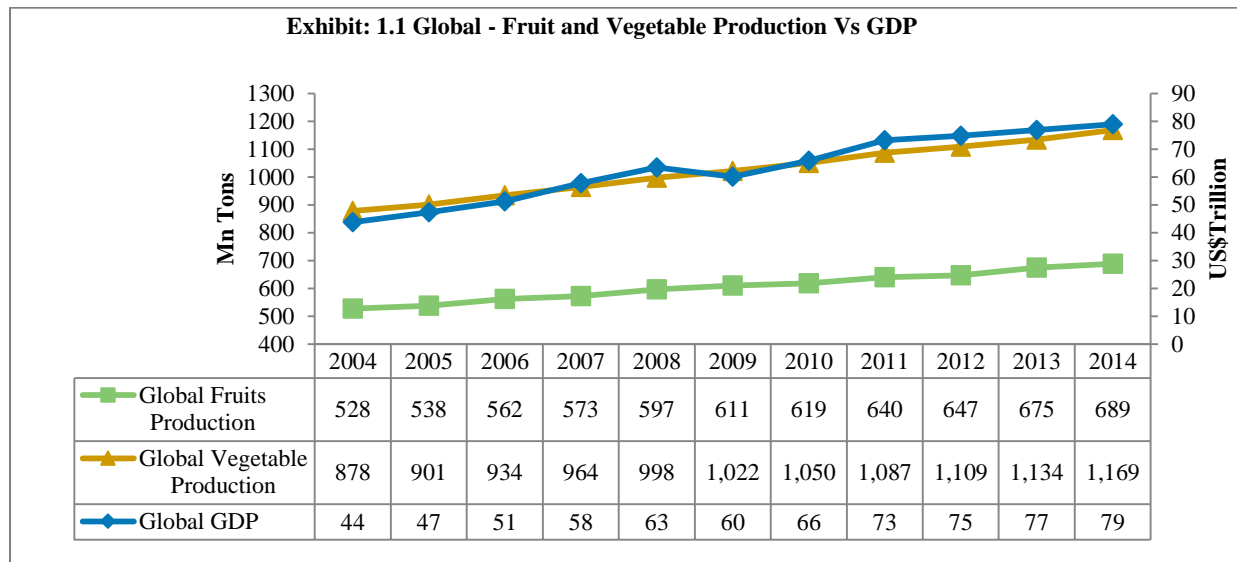
Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. Our research has been conducted with an "overall industry" perspective, and it will not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be liable for any loss suffered because of reliance on the information contained in this study. This study should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise.

This Frost & Sullivan (India) Private Limited report is prepared for our client's internal use, submission, and sharing with the relevant parties as well as for inclusion in the IPO prospectus.

Macroeconomic Overview of India

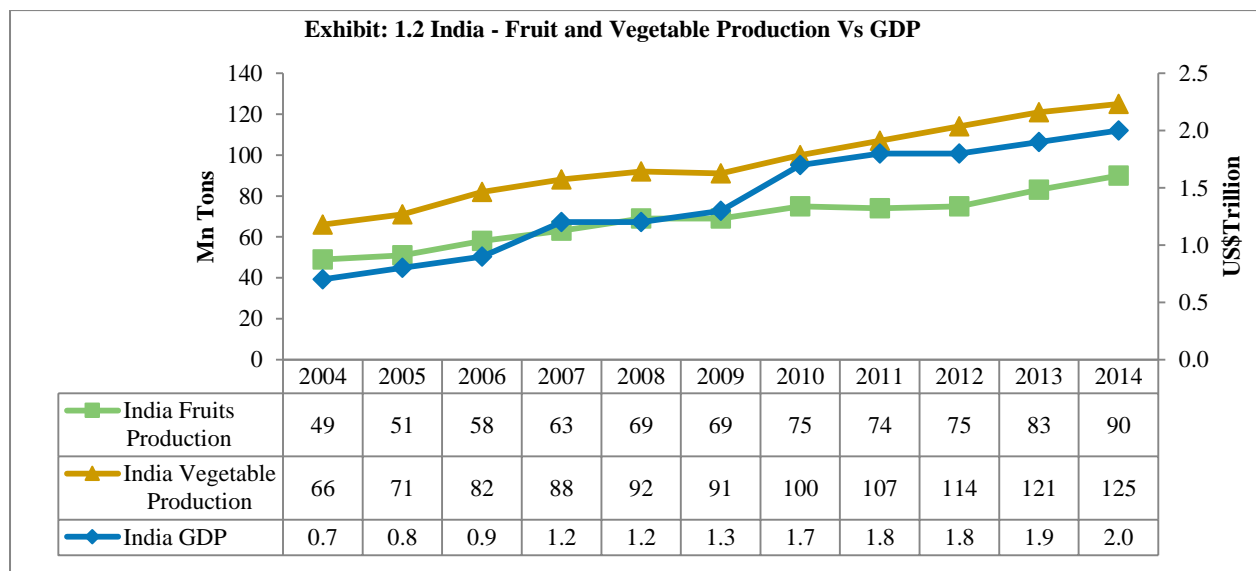
India is the fourth largest economy in the world on the basis of Gross Domestic Product ("GDP") of US\$8.66 trillion (2016 estimates), with the second largest labour force in the world, of 510.1 million (2016 estimates). (Source: CIA World Factbook) The Indian economy grew by 7.1% in fiscal 2017 (estimates), compared to 7.6% growth for fiscal 2016. (Source: Central Statistics Office, Government of India)

Global Overview – Fruits and Vegetables (“F&V”)



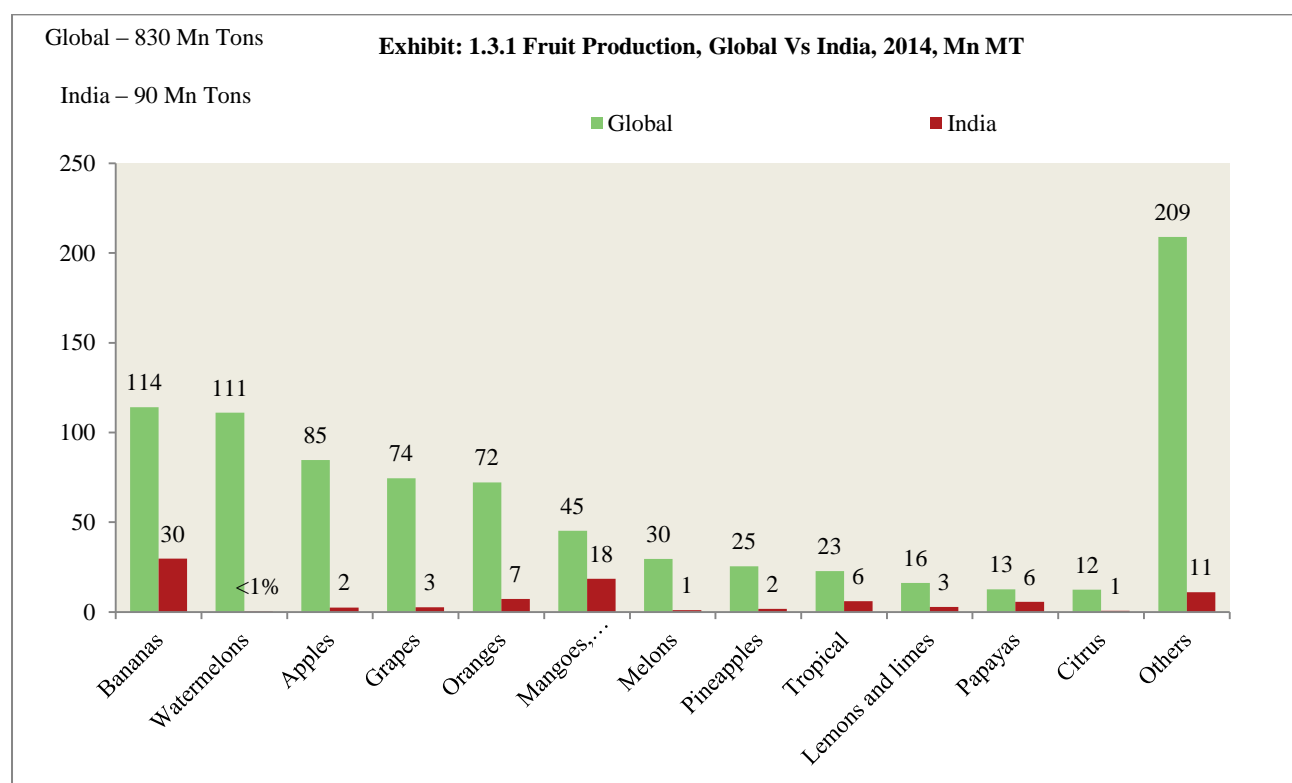
Global fruits and vegetables production witnessed a compound annual growth rate (“CAGR”) of 2.7% and 2.9% respectively over 2004-2014. During the same period, global population grew at approximately CAGR 1.2%. Higher growth in fruits and vegetables production compared to population growth is a positive sign towards food security.

India Overview – F&V



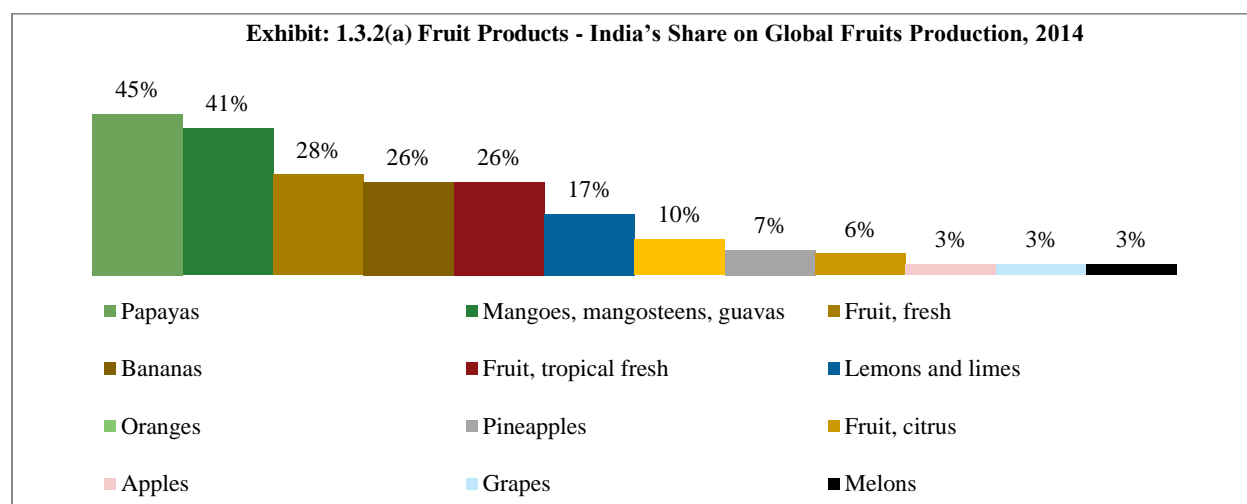
Fruits and vegetables production in India witnessed a CAGR of 6.4% and 6.7% respectively over 2004-2014 while population grew at approximately CAGR 1.4%. During the same period, fruits and vegetables production in India grew at a higher rate than global production. Improved farm practices, high yield seeds and logistics are key factors contributed to increased production in India.

Fruit Production – Global Vs India



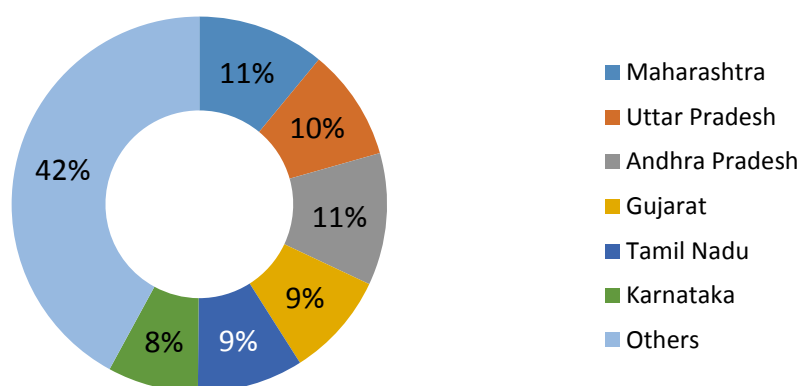
Others include Strawberries, Dates, Avocados, Apricots, Cherries, Berries among others

In 2014, India accounted for approximately 10.8% of global fruit production in volume and 11.4% of the global area harvested for fruits. Globally, fruit production is spread across different varieties while in India it is mostly skewed towards few. For example, banana, mango and guava alone account for 53% of total fruit production.



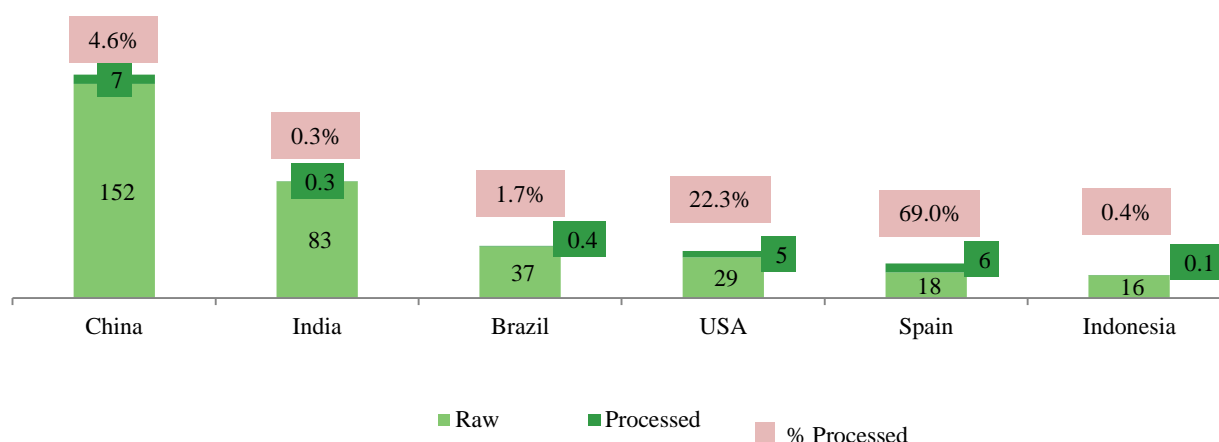
India accounts for a dominant share in a few varieties of fruits. It is the global leader in papaya, mango and guavas, and a dominant producer of banana and mix of other fruits like pomegranate, custard apple and sapodilla.

Exhibit: 1.3.2(b) Fruits Products - State-wise Fruits Production, India, 2014, Total Production: 90 Mn MT



The top six states account for > 50% of total fruit production, Andhra Pradesh and Maharashtra accounting for the largest share.

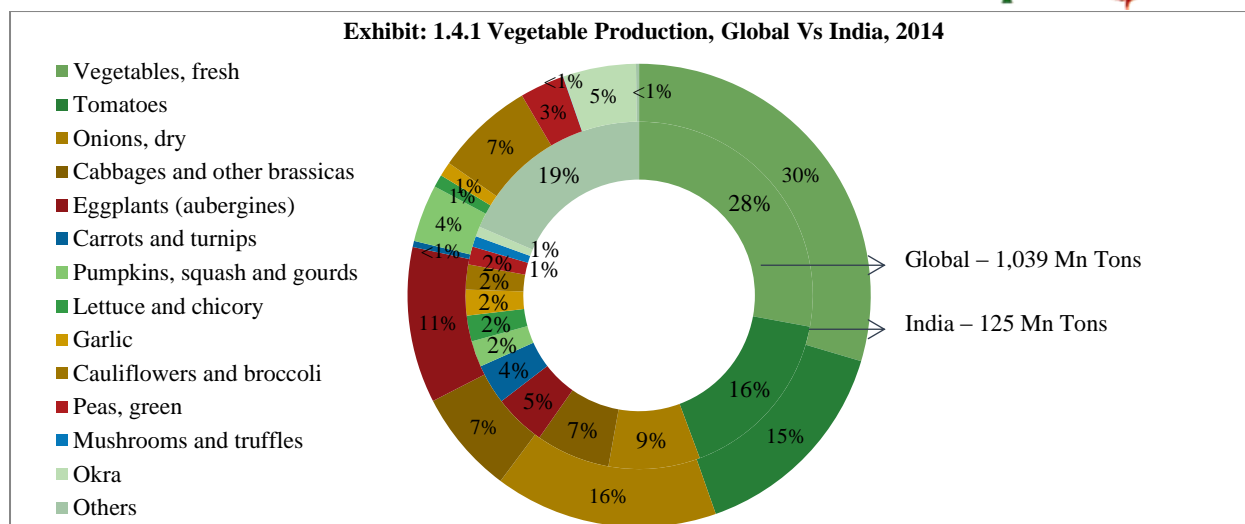
Exhibit: 1.3.3 Key Country Comparison, Fruits – Production Vs Processed, 2014 Mn Tons



Although India is the dominant fruits producer, fruit processing (value addition) is extremely low at 0.3% conversion, indicating enormous untapped potential. To compare with developed countries, Spain accounts for only 30% of India's production volume but 69% of it is processed, creating higher value products. Among developing countries, Brazil accounts approximately 44% of India's production volume, however 1.7% of the volume is processed.

Vegetable Production – Global Vs India

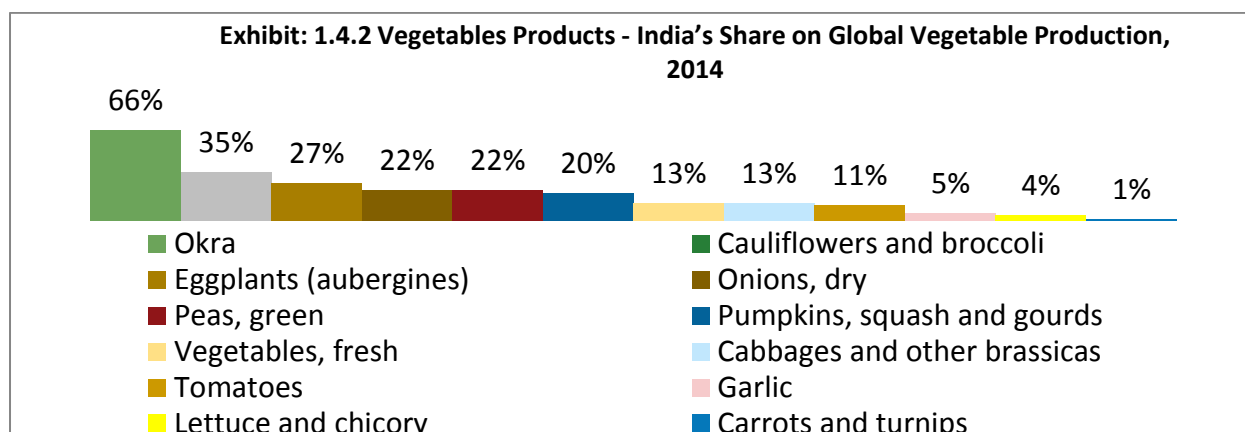
Exhibit: 1.4.1 Vegetable Production, Global Vs India, 2014



Vegetables, fresh include Beets, Bamboo Shoots, Celery, Radish, Parsley among others. Others include Asparagus, Leeks, String Beans, Artichokes.

Specific to Vegetables, India accounts for around 12% of the global vegetables production in volume and 13.9% of the global area harvested for vegetables. Globally, Tomato is the single largest vegetable. Specific to India, Tomato, Onions and Eggplants are the key products accounting almost 42% of the production.

Exhibit: 1.4.2 Vegetables Products - India's Share on Global Vegetable Production, 2014

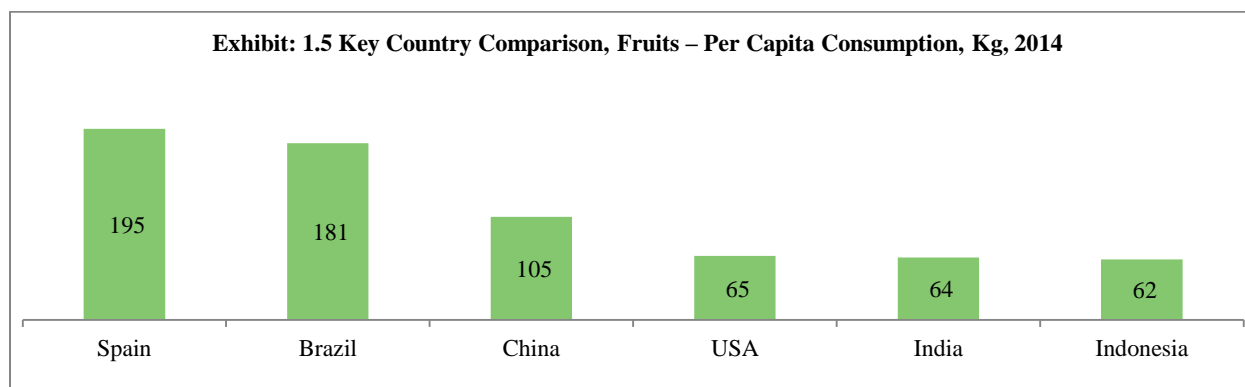


Source: Frost & Sullivan Analysis, FAO, Ministry of Agriculture

India is the global leader in Okra production accounting for 66% of the global production. It also accounts for dominant share in products like Cauliflower, Eggplant, Onions, Peas among others.

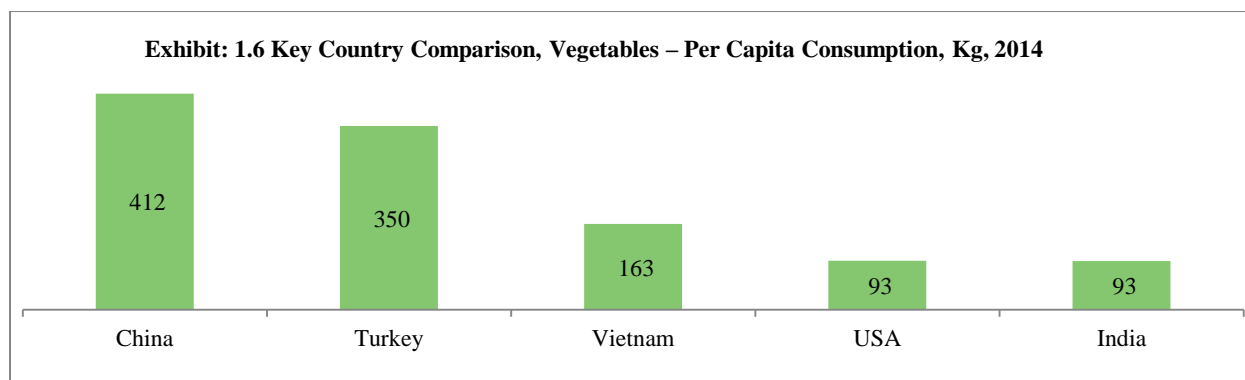
Fruits Per Capita Consumption

Exhibit: 1.5 Key Country Comparison, Fruits – Per Capita Consumption, Kg, 2014



Per capita consumption of fruits in India is approximately 64 Kg, lower than developing countries like Brazil and China. India's large population base and healthy population growth rate indicate scope to increase per capita consumption in future.

Vegetables Per Capita Consumption



Per capita consumption of vegetables in India is approximately 93 Kg, lower than developing countries like China and Vietnam. India's large population base and healthy population growth rate indicate scope to increase per capita consumption in future.

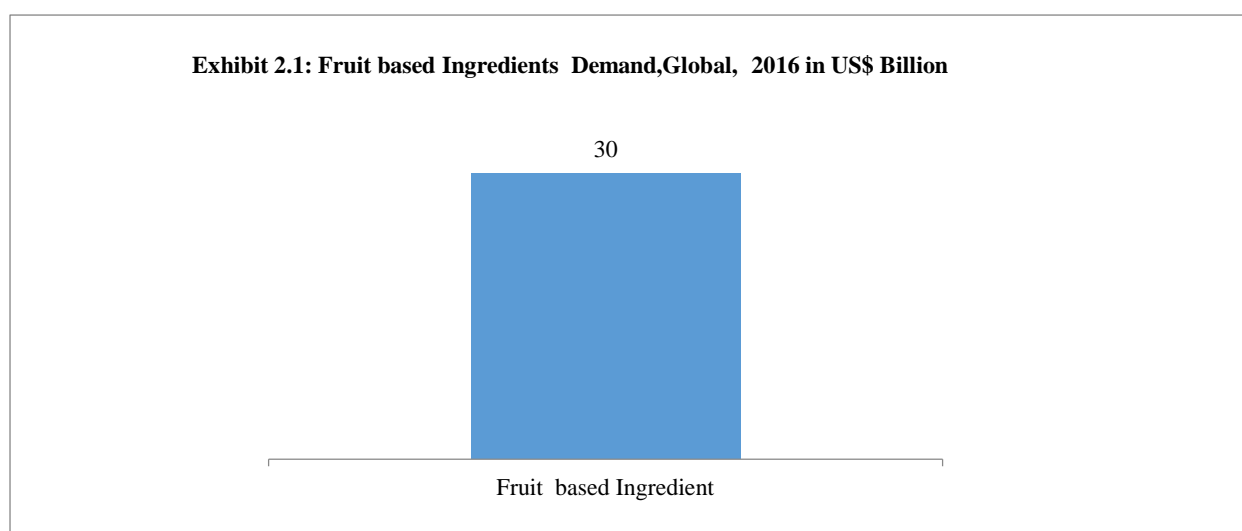
Government Initiatives for improvement of infrastructure of fruits and vegetables processing, India

- Exemption of all processed food items from the purview of licensing under the Industries (Development and Regulation) Act, 1951.
- Set up of a Special Fund of INR 2,000 Crore in National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit in designated Food Parks and agro-processing units in designated Food Parks.
- Assistance for setting up food testing laboratories, active participation in laying down food standards and their harmonization with international standards.
- 100% Foreign Direct Investment under government approval route for trading, including through e-commerce, in respect of food products manufactured or produced in India.
- Automatic approval for foreign equity up to 100% for most of the processed food items except alcohol and beer subject to certain conditions.
- Classification of loan to food and agro-based processing units and cold-chain under agriculture activities for Priority Sector Lending.
- Creation of modern infrastructure for growth of food processing sector through Schemes of Mega Food Parks, Integrated Cold Chain and Value Addition Infrastructure, and Set up / Modernization of Abattoir.
- Eight Mega Food Park projects at Haridwar (Uttarakhand), Chittoor (Andhra Pradesh), Tumkur (Karnataka), Fazilka (Punjab), Nalbari (Assam), Khargone (Madhya Pradesh), Ranchi (Jharkhand) and Murshidabad (West Bengal) are already operational and the ministry has released grant-in-aid of approx. INR 200 Crore to the upcoming projects.
- With respect to the Scheme for Integrated Cold Chain and Value Addition Infrastructure, 135 projects have been taken up. Of these, 93 are complete and 42 are in various stages of implementation. On the completion of all 135 projects, anticipated cold chain capacity is as follows:
 - 5.01 lakh MT of Cold Storage, Controlled Atmosphere (CA) / Modified Atmosphere (MA) storage, Deep Freezer

- 116.40 MT per hour of IQF
- 52.65 LLPD per day of milk processing/storage
- 766 numbers of reefer vehicles.
- Current Cold Chain infrastructure (after the completion of 93 projects) is as follows:
 - 3.35 lakh MT of Cold Storage, Controlled Atmosphere (CA)/ Modified Atmosphere (MA) storage, Deep Freezer
 - 78.90 MT per hour of IQF
 - 38.85 LLPD Milk processing/storage
 - 514 numbers of reefer carriers.

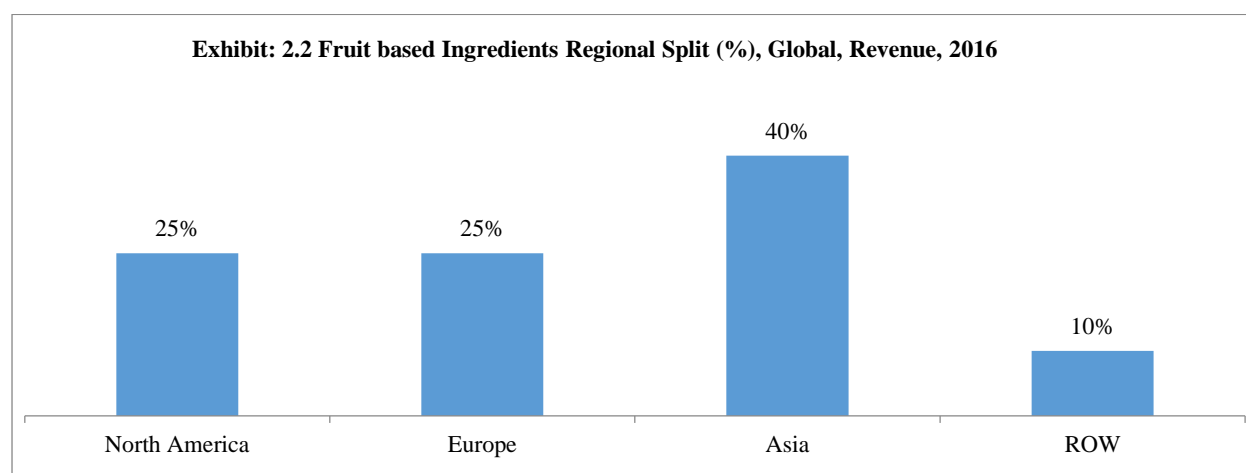
Fruit-based Ingredients

Global Fruit-based ingredient market



Fruit-based ingredients are products that impart appeal and additional nutritional value to the everyday diet, enhancing aroma, flavor and colour to the food item. In addition to taste and flavor, they are perceived to be highly nutritious and claim to reduce the risk of various diseases. As a result, fruit-based ingredients are becoming increasingly popular among health-conscious consumers. In 2016, the global fruit-based ingredient market registered revenues of US\$ 30 billion and is expected to be valued at US\$ 37 billion by 2020. The market will witness a CAGR of 5.1% through 2020. The surge in demand for fruit-based ingredients in various industries (such as beverages, preserves, soups and sauces and ready-to-eat (“**RTE**”) food products), and introduction of innovative, healthy and natural food ingredients is boosting segment growth. Increasing awareness among people on the importance of following a healthy diet, changing lifestyle, rising disposable income, and a swelling RTE food market further contribute to the growth of the fruit-based ingredient market. These are also used to prepare Not from Concentrate (“**NFC**”) juices that are considered a boon to the health-conscious community.

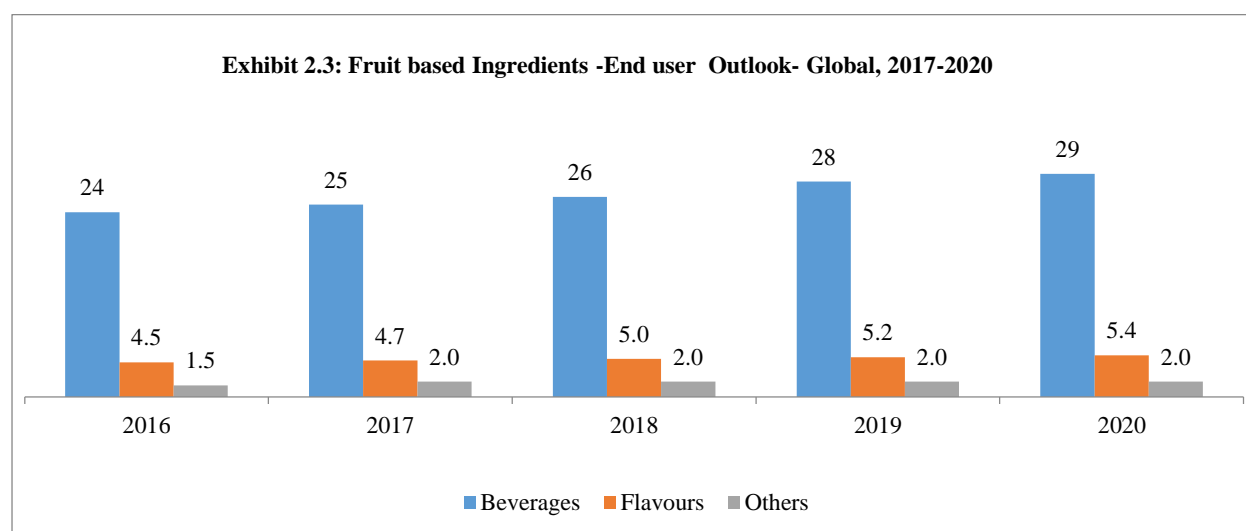
Regional Segmentation for Fruit-based Ingredients



Asia witnessed the highest fruit-based ingredients sales in 2016, US\$12 billion, approximately 40% of total global revenue, and is likely to touch US\$16 billion by 2020. Asia is expected to experience the highest growth in the coming years, a CAGR of 7.5% between 2017-2020. The proliferating confectionery and dairy industries in the region are key factors boosting industry growth. Asia and rest of the world are forecast to witness relatively faster growth compared to mature markets such as North America and Europe. However, North America and Europe are likely to experience relatively sluggish growth, CAGR of 2.5% and 3.5% respectively during 2016-2020. The North American market is expected to be valued at US\$ 8.3 billion in 2020 from the current US\$7.5 billion and EU on the other hand, will rise from US\$ 8 billion in 2016 to US\$8.6 billion by 2020. Rising disposable income and awareness created by various government organizations and social media are also fueling the growth of fruit pulp concentrate in the region.

End-user Outlook - 2017 and 2020, and Key Factors

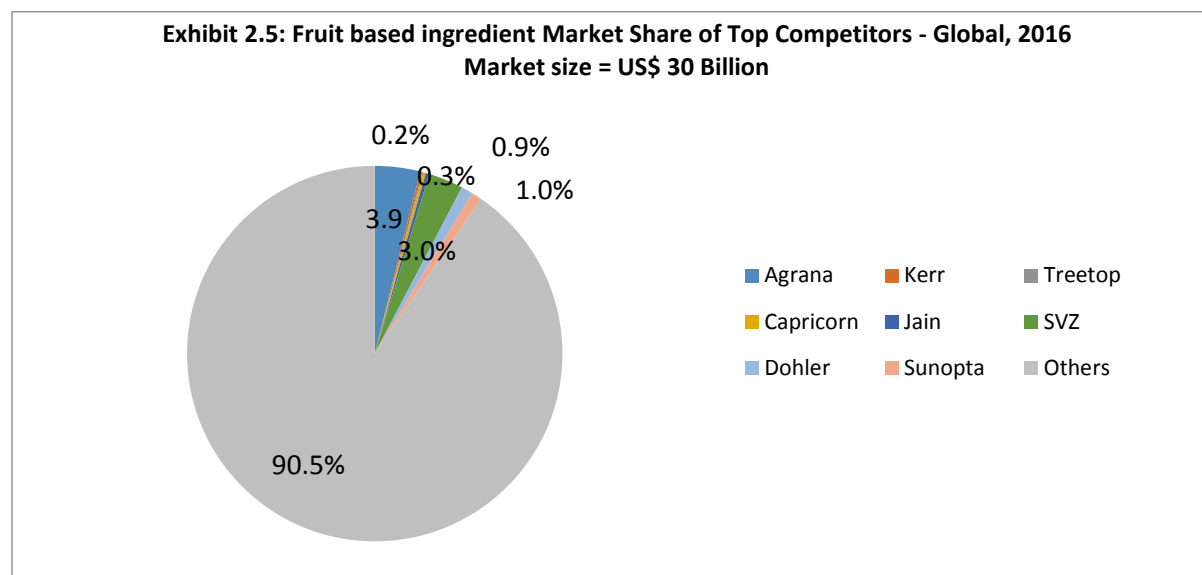
Beverages constitute the biggest application segment of the global fruit-based ingredients market owing to the increasing consumption of fruit drinks globally. Orange dominates the juice segment (30%) followed by apple (10%), mango (3%) and peach(2%). Juices such as kiwi, elderberry, and wild berry have recently gained popularity. Of all juices consumed in the UK, the market share of fresh fruit juice has increased from 27.8% in 2007 to 45% by 2016, mainly due to various health initiatives introduced by the UK government to promote healthy eating habits among citizens. Global demand for dairy products is likely to grow by 2.5% every year until 2020. Use of fruit ingredients in dairy products has gained approbation from consumers within a short span. With the introduction of new flavors and fruits in dairy products, the market is expected to become more active in coming years.



Others include dairy, preserves, soups and sauces and RTE foods

Market Share of Top Competitors

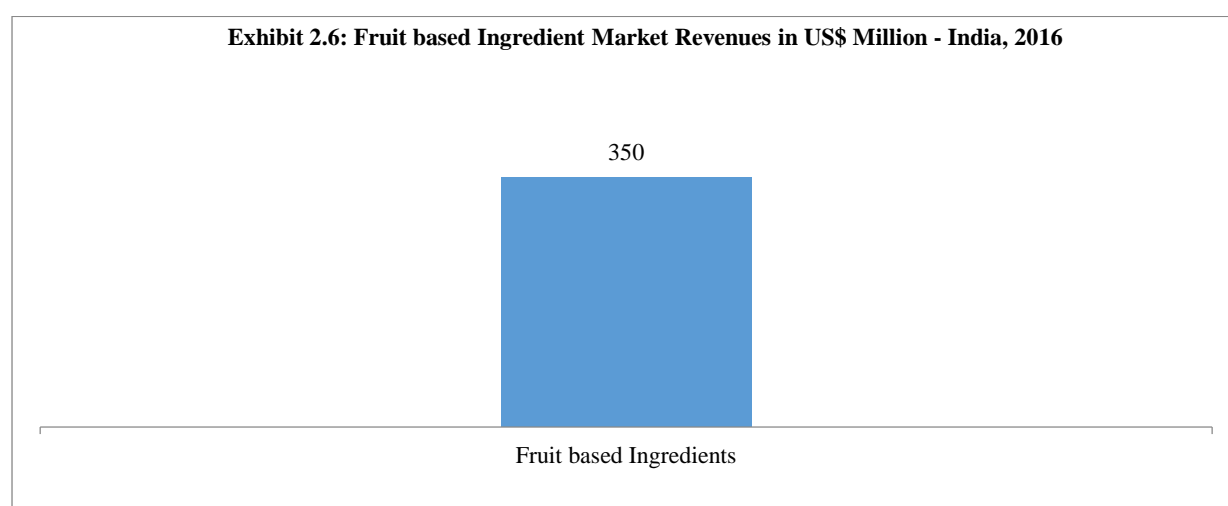
The global fruit-based ingredients industry is highly fragmented with numerous international and local companies competing for market share. The Agrana Group is the largest player in the organized sector, followed by SVZ International B.V. The market is extremely fragmented with the top five players accounting for only 9% of the global market. Medium and small players hold approximately 90.5% of the global market share. Typically, it is local players who control a major share of that region. As a result, many international fruit-based ingredient manufacturers are expanding their processing facilities across various locations in emerging economies such as India, China and Brazil, to gain a worldwide consumer base.



Others include Taura Natural Ingredients, Kanegrade Limited, Diana S.A.S, Compleat Food Network Ltd, DHM Ingredients etc.

India

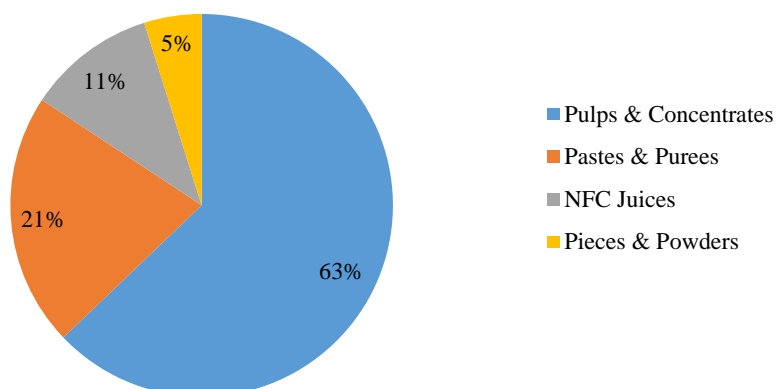
Market Size for Fruit-based Ingredients



India is one of the largest producers of fruits and vegetables in the world. However, a large part of the industry is focused on exports. Domestically, the fruit-based ingredients market is valued US\$ 350 Million in 2016; is likely to touch US\$ 645 million by 2020 at a CAGR of 13.6%. Additionally, fruit-based ingredients are exported to many countries including the US, Russia and the Middle East, indicating the high potential for industry in India. However, due to the dearth of technological know-how, research activities, storage and logistics (cold chain), only a small portion of local fruits and vegetables produce is processed in India.

Market Segmentation by Category for Fruit-based Ingredients

Exhibit 2.7: Fruit based Ingredients, Split by category - India, 2016

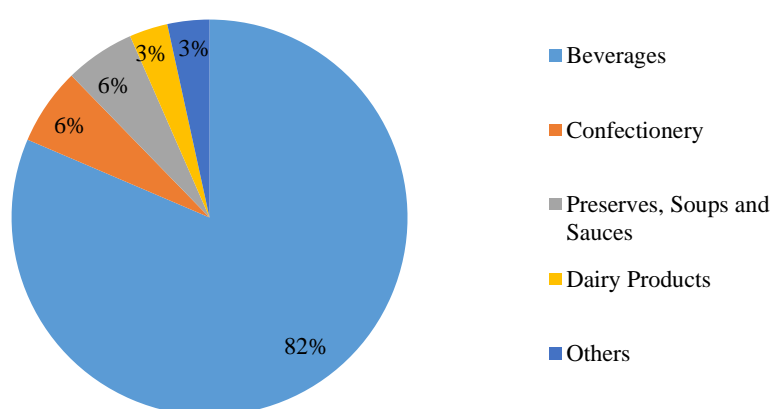


Fruit pulps and concentrates form the most significant fruit-based ingredients category in India. They are used primarily in dairy, soups and sauces and beverages industries. The fruit-based beverage industry is the biggest consumer of Indian fruit pulps and concentrates. The supply of these products is fairly consolidated, with the top two players being Jain Farm Fresh and Capricorn Group. Capricorn group is the second largest player in fruit-based ingredients supplier in India by virtue of being the largest supplier tomato pastes and purees and the second largest supplier of mango pulps and concentrates. Additionally, Capricorn is also the largest exporter of mango pulps and concentrates from India. In India, there is considerable demand for tomato paste and puree due to extensive consumption in the Indian food service industry. Usage of fruits and vegetables pulp based ingredients in NFC juices, although at a nascent stage compared to the global market, is also gaining momentum.

Market Segmentation by Application for base year 2016

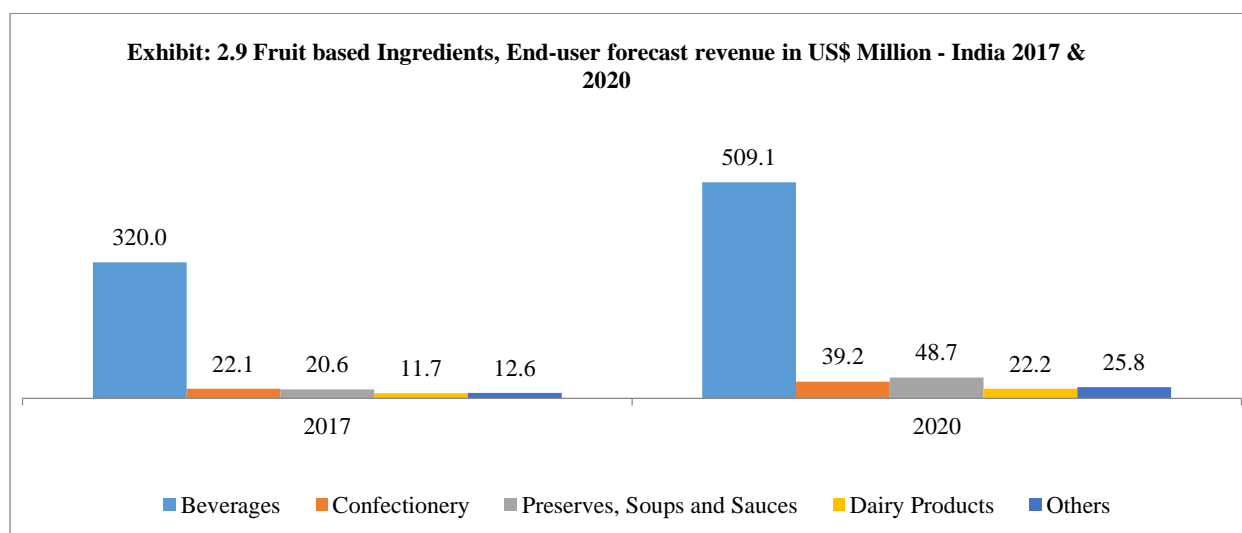
In India, fruit-based ingredients are widely used in beverages, canned fruit, jelly, jams, chutneys, RTE food products, etc. India is the third largest beverages market in the world. Mixed fruit, guava, pomegranate etc., are the popular varieties of juices consumed in India.

Exhibit 2.8: Fruit based Ingredients, Split by Application - India, 2016



Others include Bakery, RTE, etc.

End-user Outlook, Forecast - 2017-2020, and Key Factors

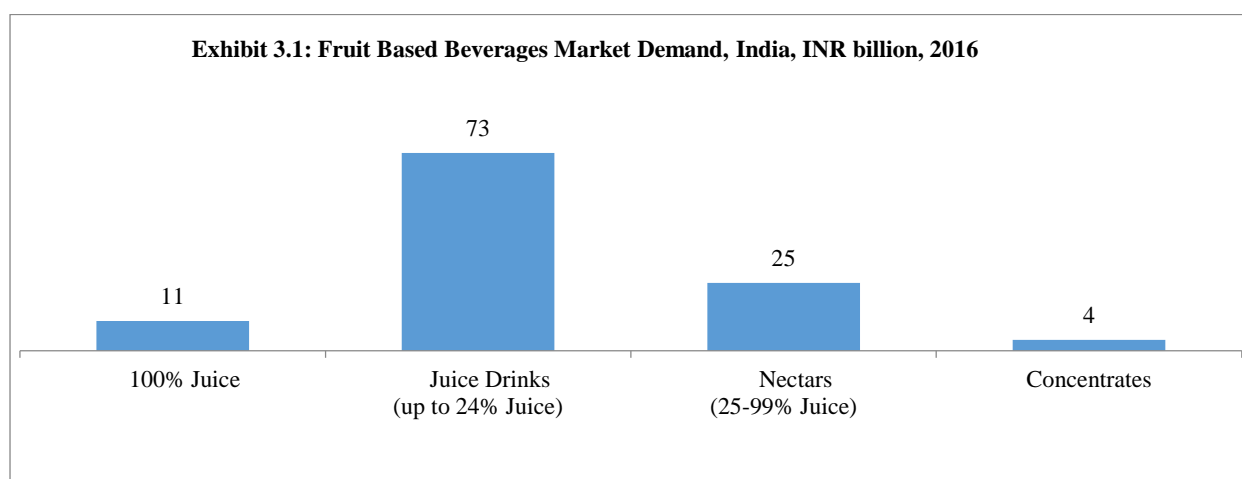


The beverages industry accounts for approximately 9% of the total food and grocery retail market in India. Numerous international brands entered the Indian subcontinent over the past few years. The industry is forecast to grow at an encouraging rate owing to urbanization, changing lifestyle and rising disposable income. The Indian dairy industry is highly dynamic. During the last decade, the sector registered a growth rate of approximately 4.6% compared to the global growth rate of 2.2%. Value added products in the premium segment such as flavoured yogurts, dairy based beverages and premium ice creams are growing in excess of 15%, indicating good potential for fruit-based ingredients. Some of the key trends driving growth include the proliferation of new flavors in the market – especially with respect to beverages and dairy, especially the launch of Indian variants such as Tropicana’s mosambi juice and Minute-maid’s mosambi pulpy. Additionally, the launch of GST in July 2017 and its attendant tax slabs for synthetic drinks (40% tax) and fruit-based beverages (12% tax) have driven beverage players to reformulate drinks by adding 5% natural fruit juice. Consequently, Coca-Cola is ready to re-launch Fanta with 5% Indian-origin orange juice. This is expected to be one of the key drivers for the growth of fruits and vegetables pulp based ingredients in India, especially in the beverages space.

Fruit-based Beverages

India

Market Size for Fruit-based Beverages

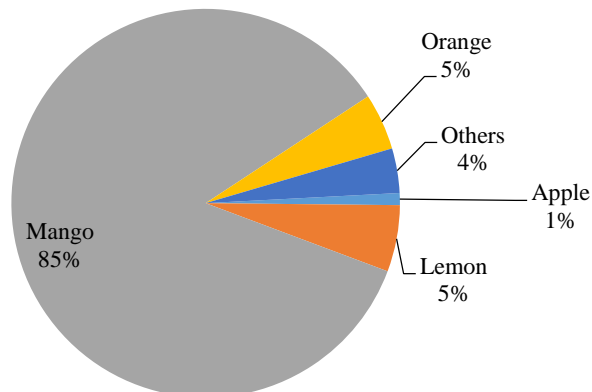


Fruit-based beverages comprise categories of 100% juice, juice drinks (also known as still drinks) with up to 24% juice, nectars and liquid concentrates. The total market in values terms was estimated to be INR 113.5 Billion. Juice drinks (with up to 24% juice content) have the largest share: 77% by volume and 64% by value. 100% juices are relatively niche as they command a premium and are priced at the top end of the segment. Introduction of

value-added products such as 100% juice and fortified juices will continue to drive demand for the juices segment. Unpackaged juice is a popular choice in India, and small street stalls/kiosks offering fresh juice are found everywhere. In Tier 1 cities, consumers who would otherwise buy fresh juice from local juice shops on a daily basis have started to buy packaged juice for regular consumption, as packaged juices are perceived to have superior quality and safety (from a hygiene perspective). The easy availability of packaged juices across retail stores and the relative convenience afforded by its packaging formats has been the primary driver for consumers to purchase packaged juice brands.

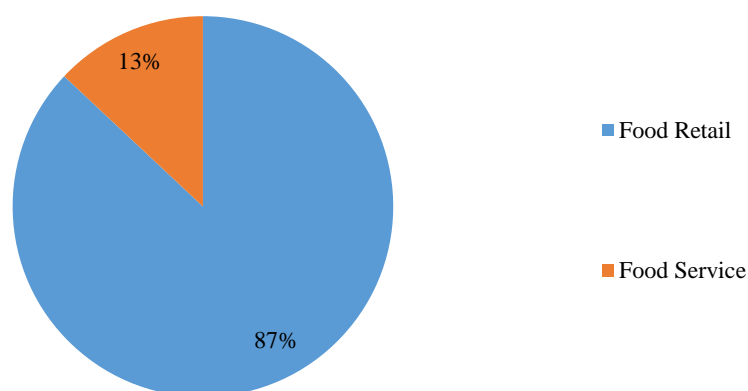
All the numbers indicated in the report are specific to the organized market/package juice segment.

Exhibit 3.2: Juice Drinks (up to 24% Juice) Market Demand Split by Flavor, India, Million Liters, 2016



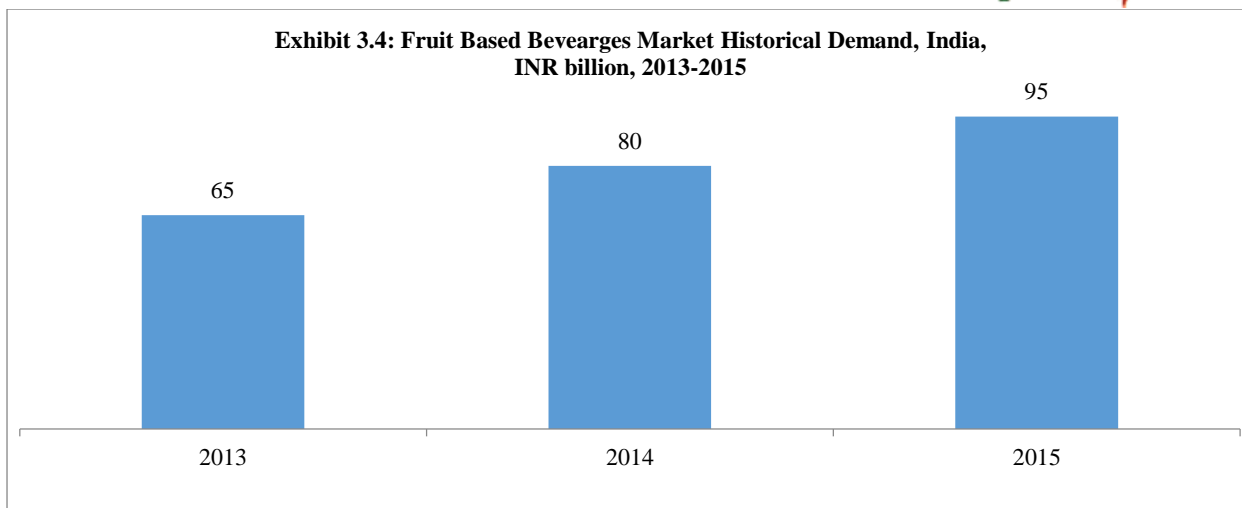
Under the largest category of juices with up to 24% juice, mango is the most sought after flavor. This has been identified as a unique market characteristic as nowhere else in the world a single flavor has approximately 85% share. Intensive competition in the segment has resulted in participants competing with each other for newer, unique and innovative flavor offerings. Most sales for fruit-based beverages happen through grocery retail, 70% of the sales are through traditional retailers, although bulk packs and offer packs are now available through modern retail outlets.

Exhibit 3.3: Fruit Based Beverages Market, Split by Channel, India, 2016
Market Size: 2,330 Million Liters



Historical Market Size

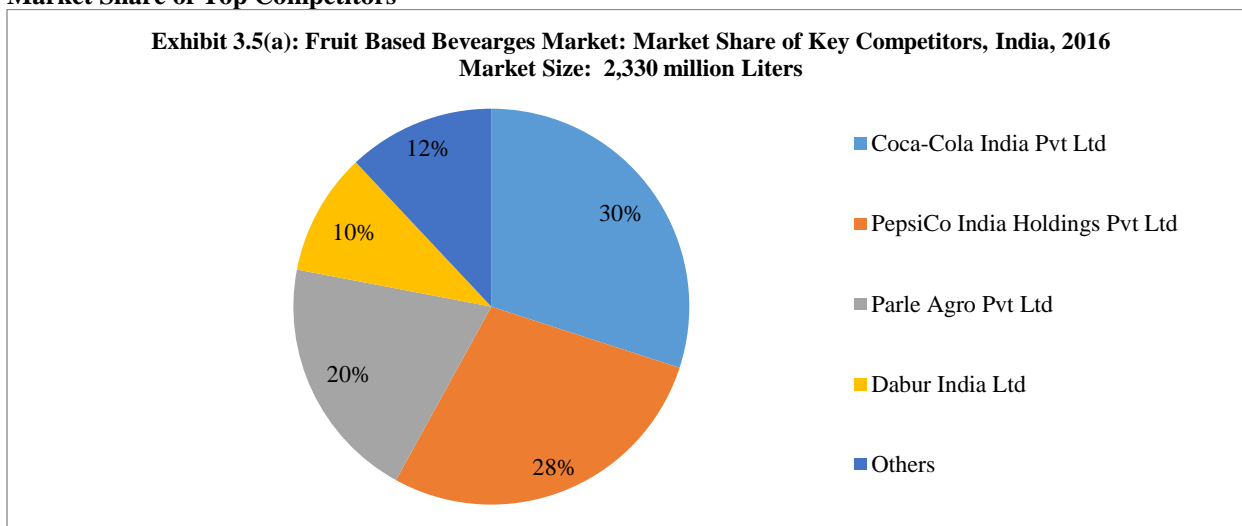
Exhibit 3.4: Fruit Based Bevearges Market Historical Demand, India, INR billion, 2013-2015



The market grew at a CAGR of 23% in volume terms over the last three years and 20% in value terms. In the previous three years, the market saw the advent of new brands, prominent ones being Robinson's Fruit Shoot (introduced by Narang Beverages) and Hector Beverages' Paper Boat. The most important challenge has been difficulty in controlling cost of production at the required price points of juices, due to rising food inflation. The lack of continuous, year-long supply of raw materials vis-à-vis the near, non-stop production of juices for the full season is a critical production-linked issue followed by controlling transportation and logistics costs. Raw material suppliers, mainly pulp and puree manufacturers like Capricorn Food Products and Jain Farm Fresh play a vital role in addressing many of these challenges for juice companies.

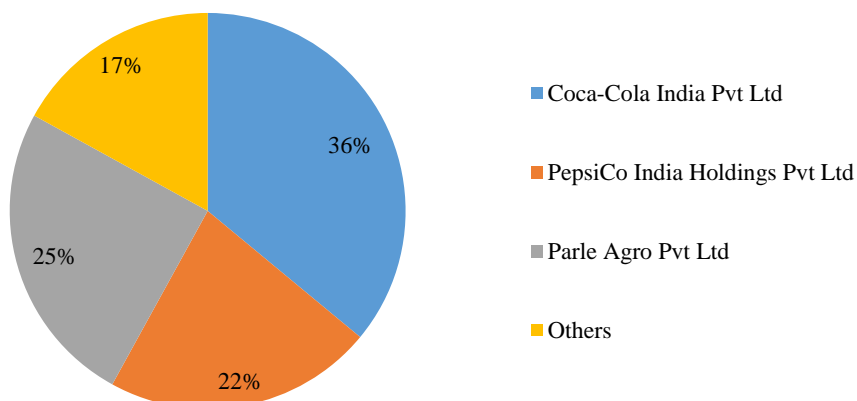
Market Share of Top Competitors

Exhibit 3.5(a): Fruit Based Bevearges Market: Market Share of Key Competitors, India, 2016
Market Size: 2,330 million Liters



Others include Companies like Hershey's, Manpasand, Tata Global, Hector, etc

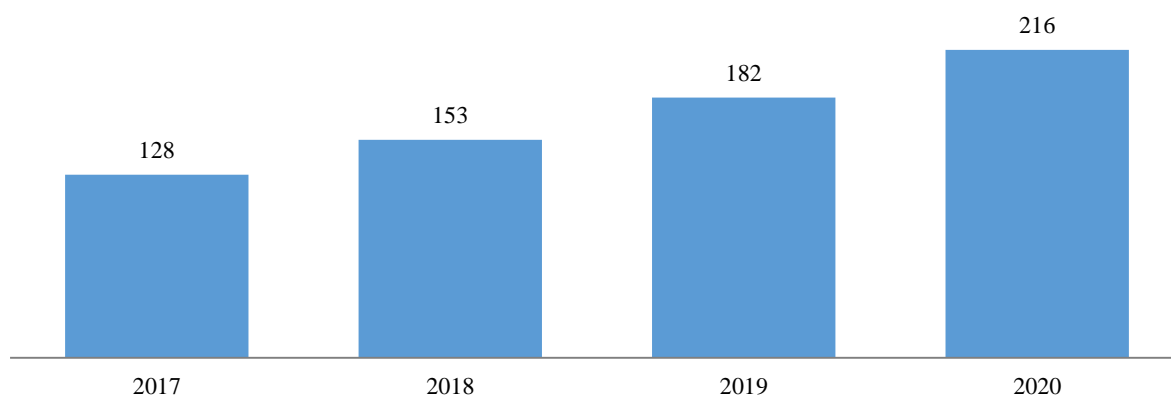
Exhibit 3.5(b): Juice Drinks (up to 24% Juice) Market: Market Share of Key Competitors, India, 2016 Market Size: 1,805 million Liters



With carbonated drinks being perceived as unhealthy, companies manufacturing these have added the juices segment in their portfolio providing a large variety of options for consumers and driving growth. Traditional Indian companies such as Dabur and Hamdard (Wakf) Laboratories have also increased sales aggressively, seizing this opportunity. The organized market remains highly consolidated with top 4 players accounting for over 80%. Long established, widespread distribution networks and popularity throughout India have been the primary reasons for multinational companies like Coca-Cola and PepsiCo to dominate the market. Coca-Cola plans to make 'Maaza' a US\$ 1 billion brand. Similarly, Parle is looking to increase penetration with new marketing strategies.

Demand Forecast, and Key Factors

Exhibit 3.6: Fruit Based Bevearges Market Demand Forecast, India, INR billion, 2017-2020



Change in eating habits and growing time constraints, mainly among the urban population, has provided an opportunity for packaged juices, as they are often seen to be quick nutritional fillers. With consumer preferences shifting toward healthier lifestyles, the packaged juices market is expected to witness a high growth trajectory. To increase consumer interest and to cater to diverse and changing tastes, fruit juice providers are introducing new flavors and packaging options further driving growth. The market in volume terms is expected to grow at a CAGR of 19%.

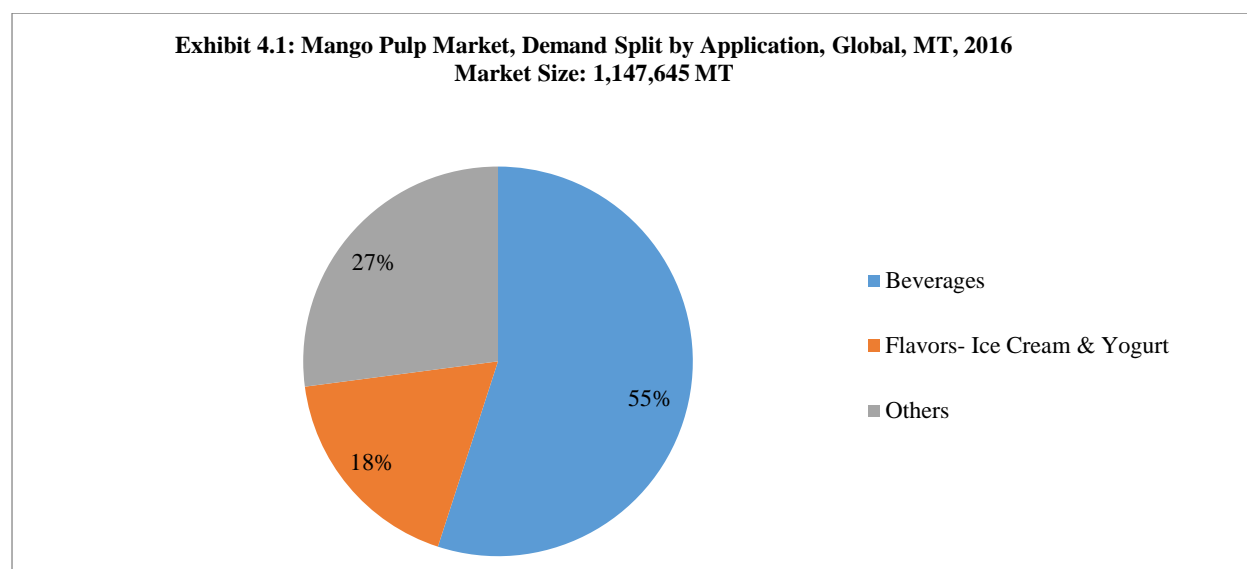
Consumers nowadays prefer healthier juices including reconstituted 100% juice and nectars (25-99% juice). This trend is more specific to urban consumers, many of whom are highly health-conscious, and are willing to spend extra money for healthier products. As such, these juice categories will see relatively higher growth over the next three years.

Mango Pulp and Concentrate

Global

Market for Mango Pulp and Concentrate

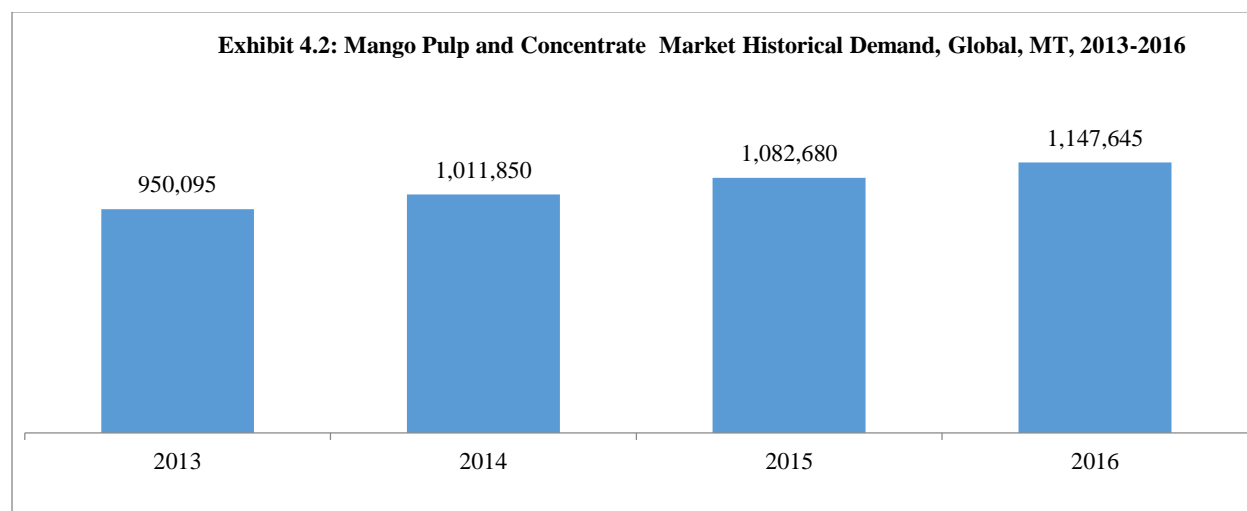
The global market for Mango pulp and concentrate was valued at US\$ 980 million. The uniqueness of the Mango fruit with respect to color, taste texture and aroma are qualities that have made usage of mango pulp and concentrate across application a desirable factor. The market for mango pulp globally is estimated to be over 1.145 Million Metric Tons (on a single strength basis) with over 50% used for beverage production.



Others include usage in Bakery and Snacks, Infant Foods, Sauces and Dressings etc.

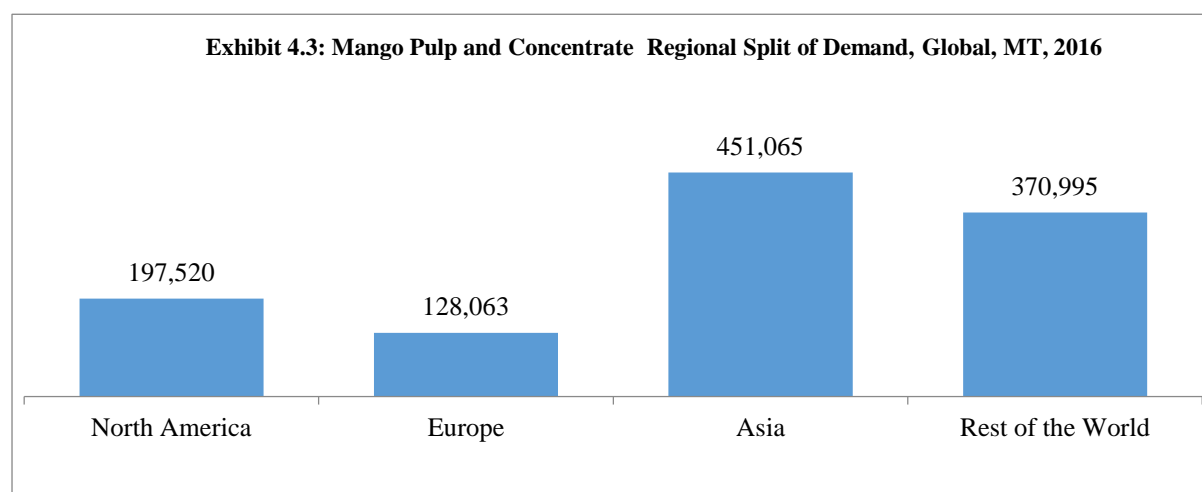
The global mango-based beverages market is greater than US\$ 15 billion and juice segments that have up to 25% fresh juice content grew by 63% in the last five years in Asia. The increasing trend toward natural and healthy drinks has accelerated growth for mango beverages as against carbonated drinks in developed countries, especially in Europe. Unlike other regions, Europe sees a large consumption of mango pulp for the dressings and sauces application. Mango pulp usage in infant food application is one of the high growth areas. The processing for this application mandates stringent regulatory compliance and hence companies in North America and Europe prefer to buy from established multinational companies.

Historical Market Size



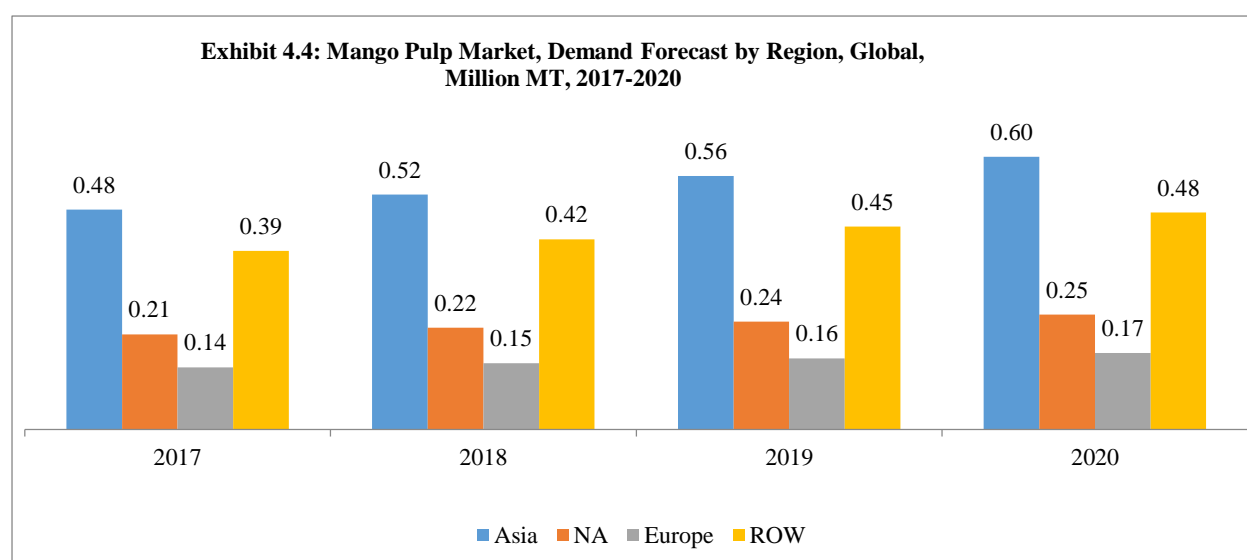
The market for mango pulp grew at a healthy growth rate of 6.5% in the last two years. The market is expected to have comparatively higher uptake moving forward with increasing awareness of the effects of carbonated beverages and consumer movement to healthier options. Asia sees higher growth as India forms a major chunk of the consumption, and mango-based applications are among the largest in India.

Market Segmentation for Mango Pulp and Concentrate by Region



Asia forms the largest consuming region (39% share) globally, with India having over 50% of the Asia demand consumption. Under Rest of the World (RoW), Middle East is one of the major consuming regions - Saudi Arabia, Yemen, the UAE and Kuwait have been the high consumption countries and are highly dependent on imports. North America also falls under the large importer category for its demand, although there is considerable mango production, with multiple varieties. Supplies to North America come primarily from Mexico, Brazil, Peru, Ecuador, and Haiti. The European region with its highly regulated market consumes approximately 11% of the global demand. Poland has been major source of supply within the region. Imports are highly concentrated, with the three top importers (the Netherlands, the United Kingdom and France) accounting for approximately 80% of total imports by volume.

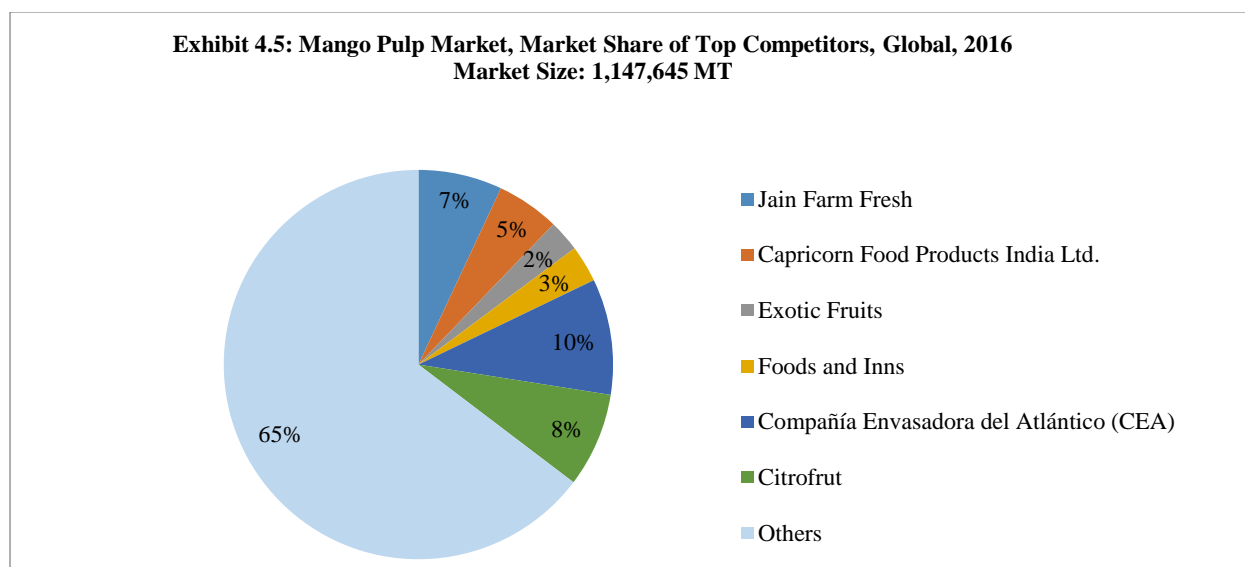
End-user Outlook, and Key Factors



The global growth CAGR for mango pulp demand is estimated to be approximately 7% until year 2020. The highest growing regions are Asia and Europe: Asia, mainly because of increasing per capita consumption and disposable income and Europe because of its inclination toward more natural and healthy products. North America

still largely sees consumption of carbonated drinks and other beverages as against natural beverages. Beverages are expected to grow at a CAGR of 6.6% with Asia having the highest growth of 7.6%. As a flavor in ice cream and yogurt, the market for mango pulp in this application will see highest growth in Asia at CAGR of 8%. The 'others' category of infant foods and dressings are expected to lead in terms of growth with CAGR of 7.5% and main growth would come from North America and Europe.

Market Share of Top Competitors for base year 2016



Others include companies like, Kevian, Bakhresa, Juhyana Food Industries and faragalla etc.

India being one the largest producing countries many major players happen to be from here. Mexican players export large quantities to the US. There are numerous manufacturers globally, many also forward integrated; therefore, clear segregation of market share is difficult at a global level. At a multinational level there is ~30% held by large scale players, 45-50% are regional level players and the rest is catered by local players. Capricorn Food Products has good global presence and is among the top exporters from India. In mango pulps and concentrates, Capricorn is the second largest supplier in the world. Globally, they are among the key multinational players and have an overall market share of 5%.

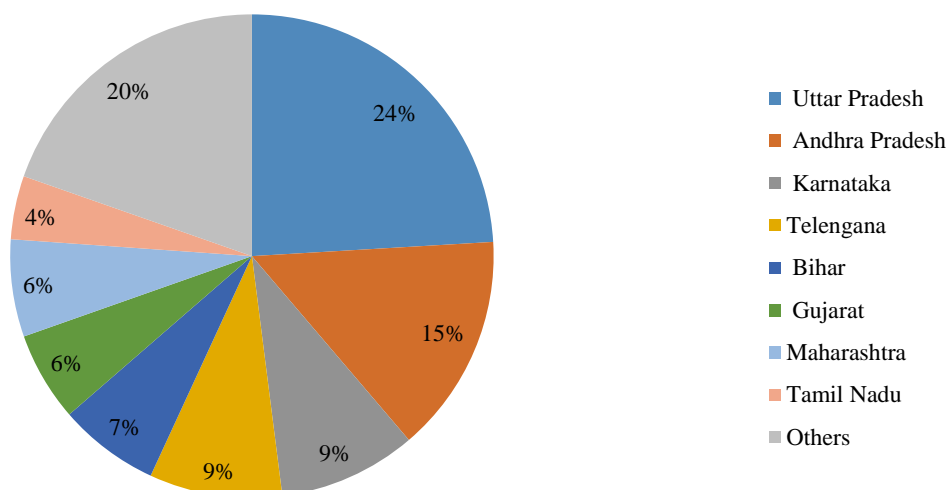
Key Global End-users

Region	Key Countries	Large End-users
Asia	India	Coca-Cola India, PepsiCo India, Parle Agro, Manpasand Beverages, Dabur etc.
Europe	The Netherlands, UK, France	Coca-Cola, PepsiCo, Eckes Granini Group, Refresco Gerber, Conserve Italia, Rauch Fruchtsafte, Princes Group, Valensina GmbH, Sumol, WeserGold Beverage Group. Garcia-Don Simon, Hero Group etc.
North America	Canada, the US	Del Monte, Ocean Spray, Apple and Eve, Coca-Cola, PepsiCo, Campbell, A. Lassonde Inc. etc.
Rest of the World	Saudi Arabia, the UAE, Kuwait, Yemen	Al Rabie, Gulf Union, NADA, Lacnor, Al Rawadi, Safa, DICO, Aujan Drinks, Kuwait Danish Dairy, Almarai, Alrawabi etc.

India

Mango Production in India

Exhibit 4.6: Mango Production in India, Split by Key States, India, 2016
Total Production: ~19 million MT



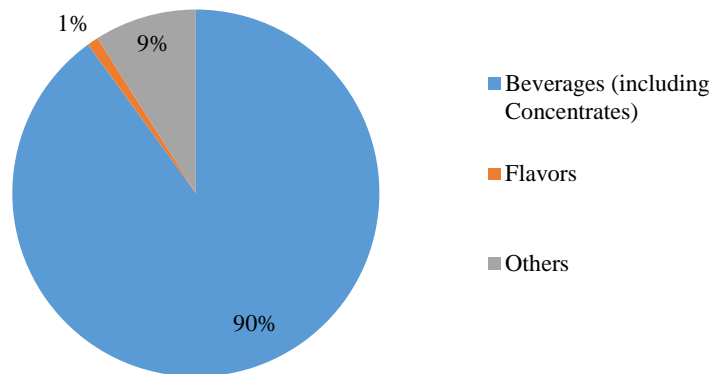
2 million hectares of mango orchards in India produce approximately 19 million tons of mangoes every year. Consequently, India accounts for approximately 41% of global production of mango pulp. Compared to the amount of mango produced in India, the processing volume is insignificant. The present processing level of mango in India is approximately 5-7%, with pulp as the main product. As local availability is higher, consumers prefer to use fresh fruit as against a processed product unless there is a need for it in the ‘off-season’ like for retail beverage manufacturing. Being one of the largest mango producing regions in the world, India has huge potential to increase processing percentage, especially with the growing need for processed foods.

Market Size for Mango Pulp and Concentrate

	Production (MT)	Import (MT)	Export (MT)	Domestic Demand (MT)
Mango Pulp (Single Strength), 2016	465,000	0	200,000	265,000

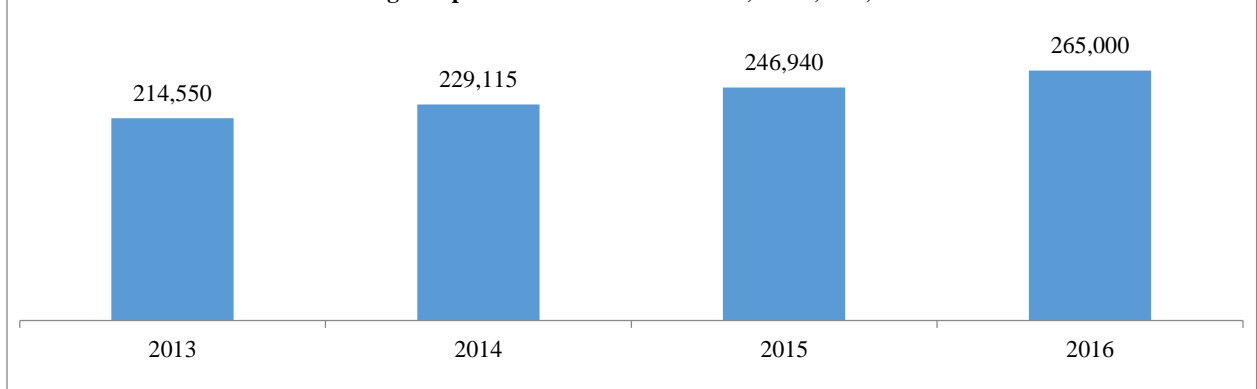
India is the world’s largest producer of mango pulp and commands over 40% of global mango pulp market. Since mango pulp is one of the most important ingredients, the Middle East forms the largest export destination for pulp from India. Exports to Europe have been seeing a decline due to increased norms and competition from other regions like Philippines, China and Brazil. Of the mango pulp consumption, 90% is for beverages segment as other applications like infant foods, dressings etc. are still evolving. Usage in ice creams is also a growing segment where consumers still look at trade-offs between using fresh mango versus mango pulp. Unlike anywhere in the world, mango-based beverages contribute over 80% of the fruit drink flavors in India.

Exhibit 4.7: Mango Pulp Market, Split by Application, India, 2016
Market Size: 265,000 MT



Historical Market Size

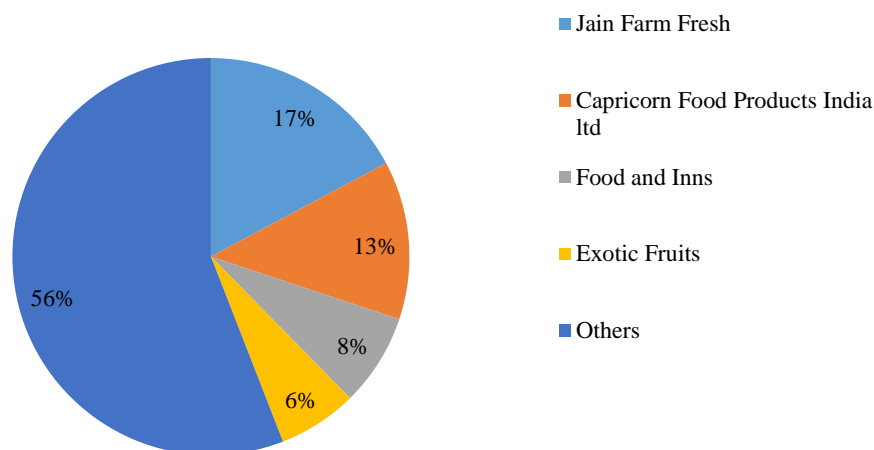
Exhibit 4.8: Mango Pulp Market Historical Demand, India, MT, 2013-2016



Although fresh juices prepared at home are still preferred as they are perceived more hygienic and authentic, demand for mango pulp in India has been increasing over the years. The industry witnessed a CAGR of approximately 7.3% over 2013-16, mainly driven by heightened per capita consumption of mango-based beverages in India. In the last 10 years, the industry experienced nearly 50% surge in demand.

Market Share of Top Competitors

Exhibit 4.9: Mango Pulp Production: Market Share of Key Competitors, India, 2016
Market Size: 465,000 MT

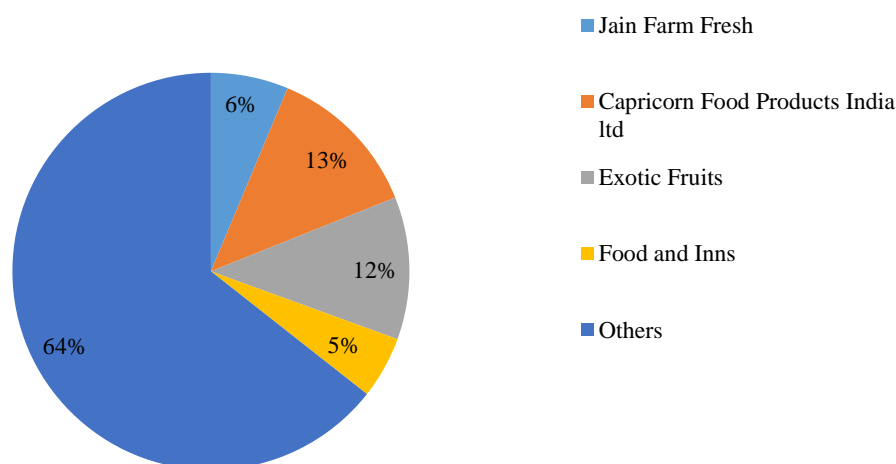


Others include Companies like Mother Dairy, Allana Sons, Galla Foods etc.

Mango processing is still a SSI sector with over 50% of manufacturers under tiny and small scale industries' categories. Large scale manufacturing is limited to players like Jain Farm Fresh and Capricorn Foods. Jain Farm Fresh contributes to approximately 17% of the total Indian mango pulp production followed by Capricorn with 13% production share. In 2016, Capricorn produced 60,000 MT of Mango pulp. The company is the second largest mango pulp manufacturer and supplier in India.

Exports of Mango Pulp and Concentrate from India

Exhibit 4.10: Mango Pulp Exports: Market Share of Key Competitors, India, 2016
Market Size: 200,000 MT

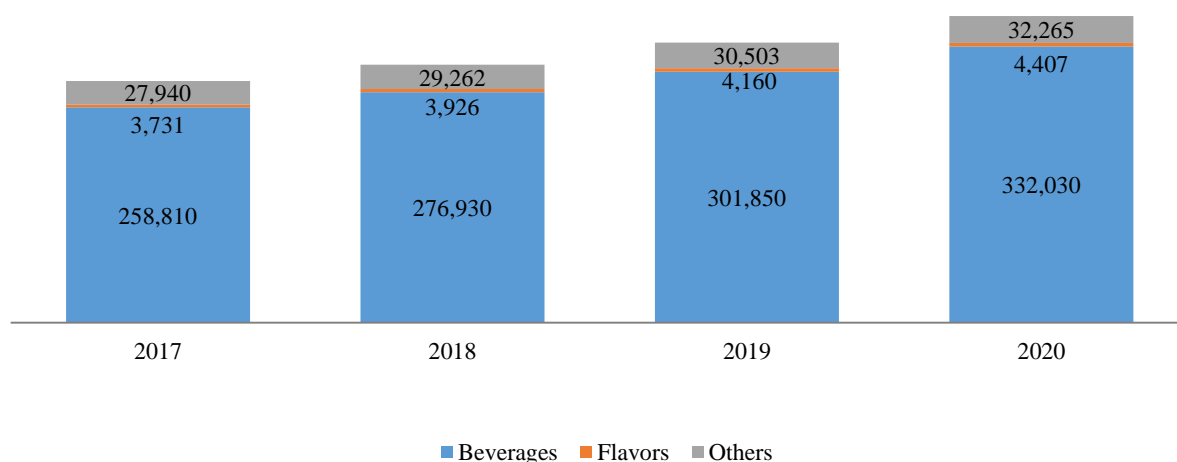


Others include Companies like Mother Dairy, Allana Sons, Galla Foods etc.

In 2016, India exported 200,000 MT of mango pulp; over 40% of the mango pulp produced in India is exported. India exports over 70% of the mango pulp volumes to the Middle East. The mango pulp export industry is highly fragmented and has many small companies contributing to the total volume. Capricorn Food products is the largest exporter with 13% share of exports, followed closely by 12%, 6% and 5% for Exotic, Jains and Foods and Inns respectively of the total exports out of India. Europe and North America have been difficult markets for Indian exports due to stringent quality certification requirements and availability of other regional sources especially for applications like Infant foods.

End-user Outlook, and Key Factors

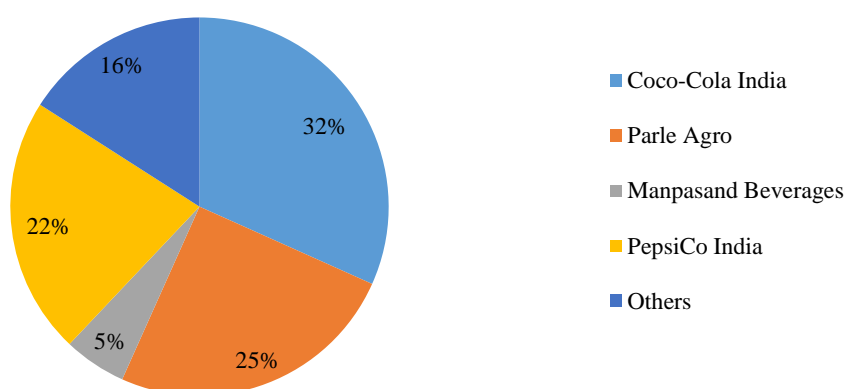
Exhibit 4.11: Mango Pulp Market Demand Forecast by Application, India, MT, 2017-2020



Mango pulp is mainly used in manufacturing beverages (juices, nectars, multi-fruit beverages). It is also used as a flavoring ingredient in processed food products such as ice cream and bakery items. Mango pulp is also used in manufacturing jams, jellies and confectionery. The consumption of mango pulp in the beverages industry is expected to reach 332,030 MT in 2020, growing at a CAGR of 8.6%. Meanwhile consumption in flavors and application in jams jellies etc. are expected to experience a CAGR of 13% and 7.8% respectively. Intensifying competition between beverage suppliers would call for more innovative flavors.

Market Share of Top Customers

Exhibit 4.12: Mango Pulp Market: Consumption Share of Key End Users, India, 2016
Market Size: 265,000 MT



Others include companies like Dabur, ITC, Hector etc.

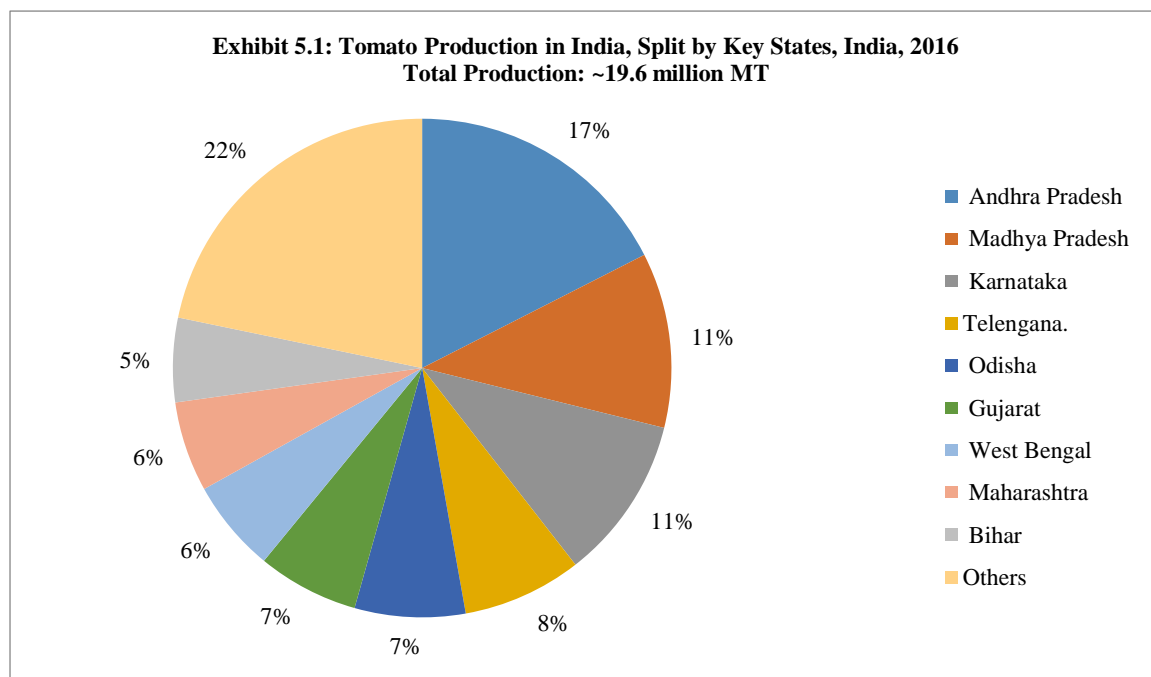
The consumption pattern of mango pulp follows beverage brand sales of key companies with Coca-Cola India leading with 32% of pulp consumption and 36% share with its mango-based beverage brand 'Maaza'. Parle Agro has overtaken Slice (PepsiCo's brand) with higher sales of 'Frooti' and increased consumption of Mango Pulp. Coca-Cola plans to double its consumption by 2023 with plans to make 'Maaza' a US\$ 1 billion brand. If Maaza is to become the billion dollar brand, it will need an additional 200,000 MT of mango pulp annually from the current volume. Similarly, Parle is looking to increase penetration with a new marketing strategy and new beverage formats. This is a huge opportunity to be tapped by companies like Jain Farm Fresh and Capricorn Food Products, which offer quality and consistent supply among end users. To move away from the 'carbonated sugar

‘and ‘unhealthy’ drink tag, both Coca-Cola and PepsiCo are looking to focus on juices with fruit content; fruit-based carbonated beverages is seen as a suitable diversification option among others.

Tomato Paste/Puree

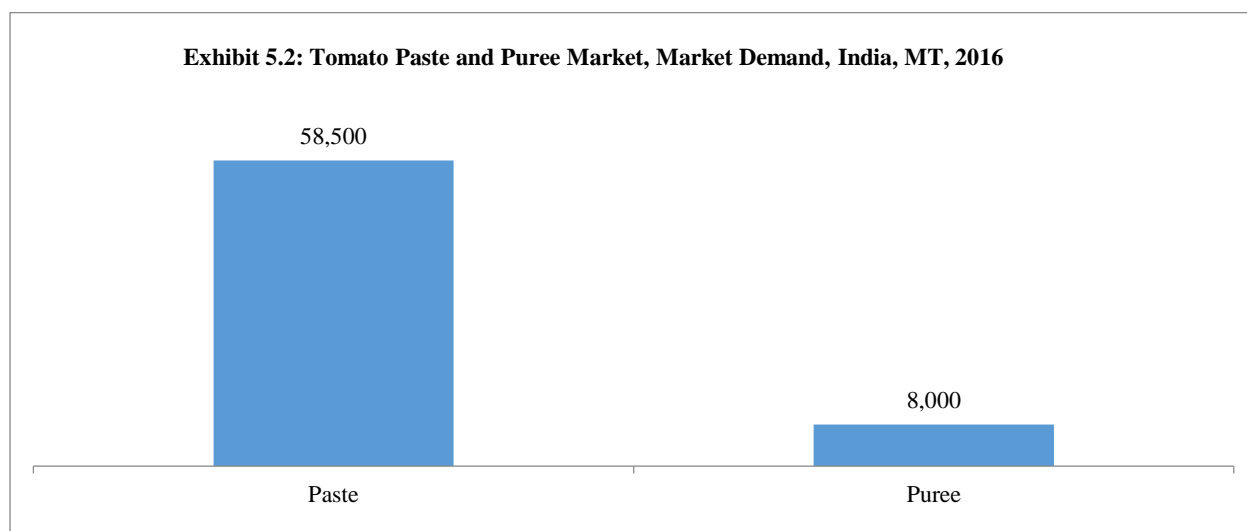
India

Indian Production Of Tomato



India produces more tomatoes than most countries globally but processing is below the global average of 26%. India processes less than 1% of tomatoes as consumers prefer using direct fresh product over a processed option. Also, unlike tropical fruits, tomato is not seasonal and is available all through the year; although recently fluctuations in tomato pricing have made people seek stable processed options.

Market Size for Tomato Paste and Puree

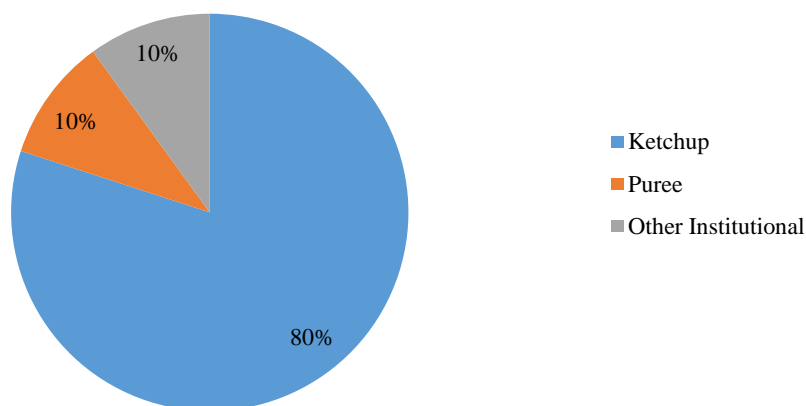


Approximately 40,000 MT of tomato paste is produced by Indian companies and some amount is imported from China and other countries. Imported pastes have the desired color and density required by large ketchup brands. Demand for tomato puree is extremely low compared to tomato paste. However, in June 2016, demand for tomato

puree shot up to 40% as there was a sudden increase in the price of fresh tomatoes. Globally, India is not a significant player in the tomato paste market. India's share in the world production is just 1%. It is noteworthy to mention that India's production of processed tomato has risen by 50% within a short span. With fluctuating fresh tomato prices, consumers are switching over to processed puree even in the retail market.

	Production in MT	Import in MT	Export in MT	Domestic Demand in MT
Tomato paste (2016)	40,000	20,000	1,500	58,500

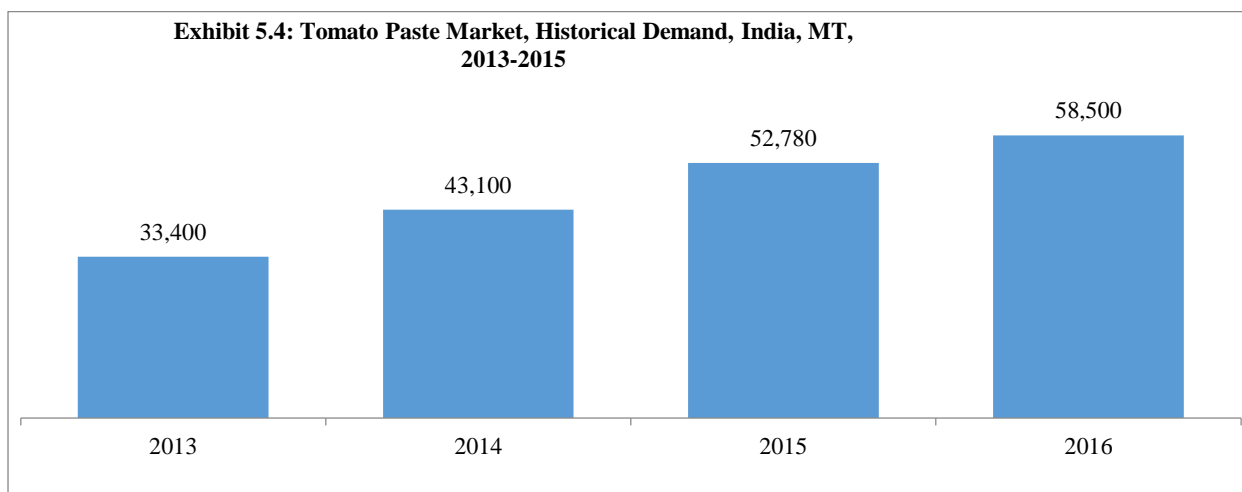
Exhibit 5.3: Tomato Paste Market, Split by Application, India, 2016
Market Size: 58,500 MT



Others include applications in Pizza, Pasta and tomato substitutes for HORECA , etc.

Historical Market Size

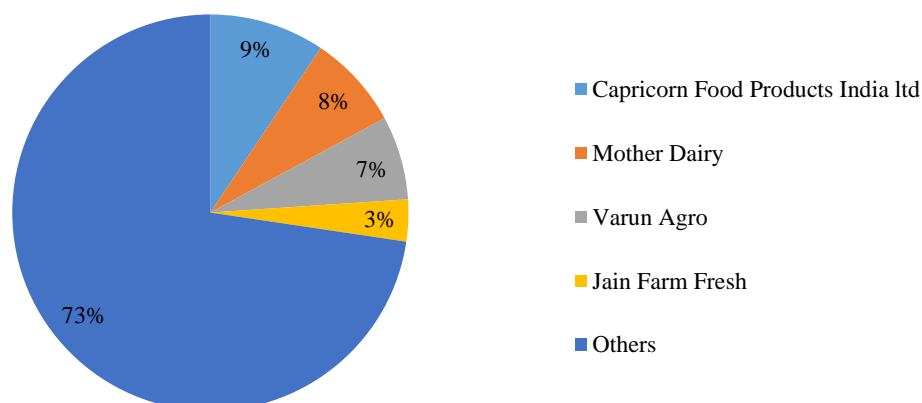
Exhibit 5.4: Tomato Paste Market, Historical Demand, India, MT, 2013-2015



Tomato paste is one of the most important ingredients in RTE or fast food products, especially ketchups and sauces and is seeing increased usage in households and restaurants. The market for tomato paste has been growing at a CAGR of 20.5% in the last three years. Growing population of youngsters with disposable income as well as an increasing female workforce is fuelling growth of the fast food and RTE industry in India. Moreover, lesser time available for cooking in urban areas has driven consumers to look for quick cook options like instant foods and processed purees. Similarly, the change in food consumption patterns in the last decade has increased per capita consumption of fast foods such as pizza, sandwiches, burgers, hotdogs, Indian snacks like cutlets, samosa, kachori, pakoda etc., across all economic strata, boosting the market for processed tomato products like tomato paste, puree, ketchup and sauces.

Market Share of Top Competitors

Exhibit 5.5: Tomato Paste Market, Market Share of Key Competitors, India, 2016
Market Size: 58,500 MT

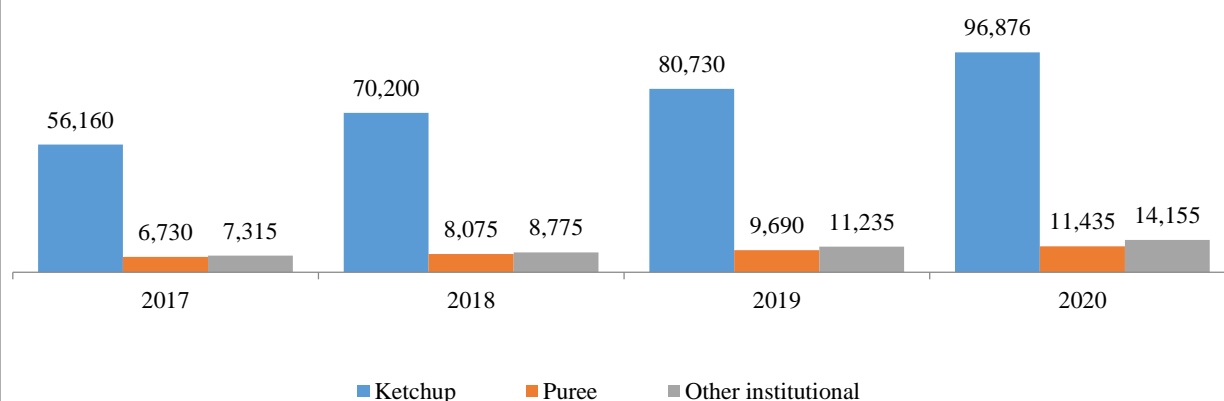


Others include Foods and Inns, Galla Foods, BEC Foods etc.

Like other basic food processing industries, tomato paste processing comes under SSI. Ease of processing and availability of raw materials across regions has supported many small volume processors to set up production. Many of these processors also do seasonal processing of fruits and other vegetables, as standalone tomato processing is not a viable business. Capricorn Food Products is the largest suppliers of tomato paste in the merchant market and holds number one position with market share of 9%. Depending on a single or limited line of business is not advisable in the fruits and vegetables processing area. Hence most small scale companies have diversified portfolios and depending on availability of required raw materials, switch to products with better margins.

End-user Outlook, and Key Factors

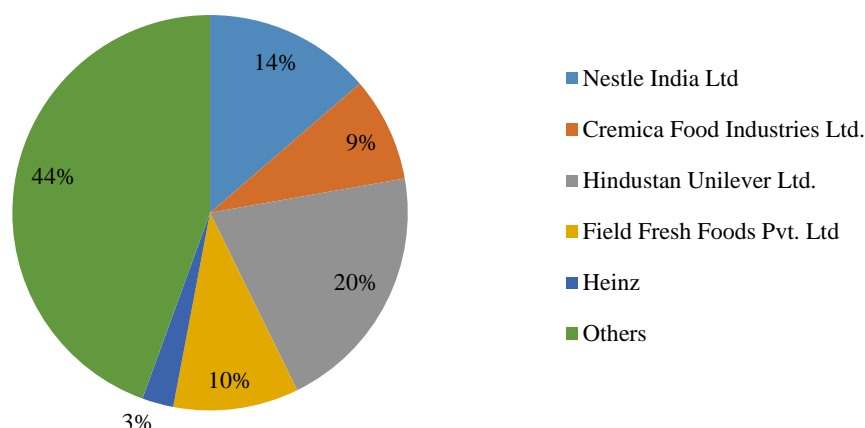
Exhibit 5.6: Tomato Paste Consumption Forecast by End Segment, India, MT, 2017-2020



With 80% current consumption and a considerable growth of CAGR 20%, ketchup will remain one of the largest application areas. Growing usage of ketchup as accompaniment even with Indian snacks is driving market growth and penetration. Institutions such as star hotels, global fast food chains, restaurants use tomato paste for preparing sauces mainly for Italian cuisines. Strong supply chain coordination between tomato growers and processors for organized production and adoption of technologies and methods that enhance the value chain for all stakeholders is important to achieve sustained change that can benefit all and for India to become a global processor. Companies in the paste space are forward integrating and the same is seen with ketchup companies trying to backward integrate.

Market Share of Top Customers

Exhibit 5.7: Tomato paste Market, Consumption share, Top companies, India, 2016, Market Size: 58,500 MT



Others include companies like Delicia, Tops India etc

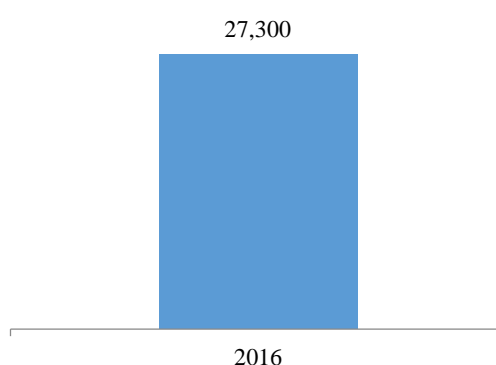
HUL and Nestle are the largest consumers of tomato paste for manufacturing tomato ketchup ranges ‘Kissan’ and ‘Maggi’, respectively. Nestle sources tomato paste from various local manufacturers as well as process tomatoes at its own facilities. It also imports raw material for ketchup production. HUL sources most of its tomato paste from local manufacturers, including Varun Agro Private Limited and Capricorn Food Products. The vendors to HUL work directly with approximately 2,500 small-scale farmers to meet the quality and sustainability requirements of HUL. Farmers are being asked to reduce their use of water, pesticides and fertilizers, so as to limit their impact on the environment. They also oversee training and advice on good agricultural practices that farmers are offered thus helping to form a sustainable value chain. Cremica, the Jalandhar-based company uses a blend of imported and locally procured paste. The company is planning to set up a pulp processing plant at Una in Himachal Pradesh with capacity of 30 tons per hour. Field Fresh Foods (Del Monte), India’s third largest processed tomato product manufacturer sources small portion of its requirement from small scale Indian companies, and prefers to import to meet the rest of its requirements.

Individually Quick-Frozen Fruits(IQF)

India

Market for IQF Fruits for base year 2016

Exhibit 6.1: IQF Fruits, Production in MT, India, 2016

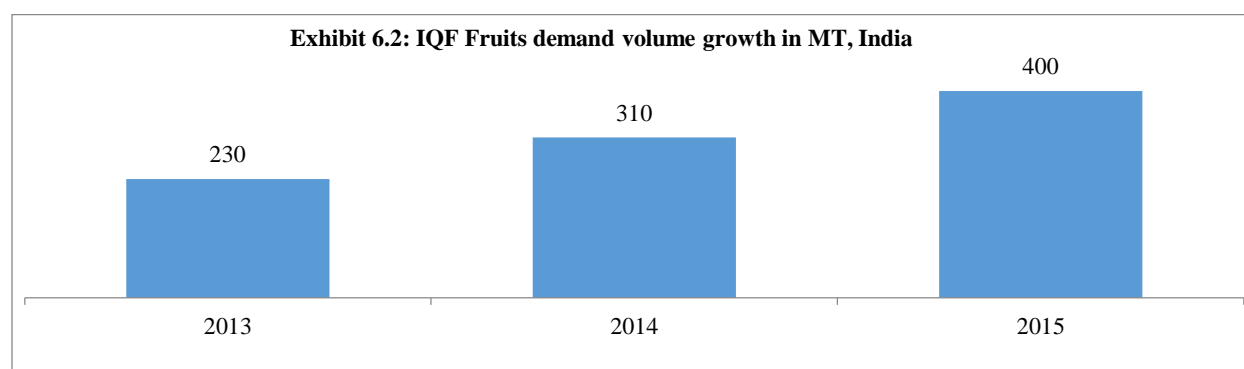


India is one of the leading producers of fruits and vegetables in the world. India holds a significant position in the world horticultural map with total annual production of fruits touching over 80 million MT. India’s contribution

to the world fruit production is approximately 10%. Frozen fruits and vegetables are one of the major commodities which has a huge potential to be exported from India and also consumed locally. In spite of that, domestic demand for frozen fruits remains subdued; mainly due to local availability and Indians preferring fresh fruits over frozen. The emergence of modern retail chains, heightened consumer awareness, developing supply chain network with cold stores, etc. are gradually supporting the growth of convenience foods including frozen food segment in India. In India, there are approximately 50+ IQF fruits and vegetables processing units. Different techniques are deployed in freezing food products. In the conventional (blast) freezing method, the colour and flavour are irretrievably lost. In individual quick freezing/ flash freezing (IQF) technology, fresh fruits and vegetables are frozen at a very low temperature (-30°C to -40°C). Small ice crystals that are formed within the product help to maintain the freshness of the product for a longer period. IQF products remain fresh and are better in colour and texture and have a longer shelf life.

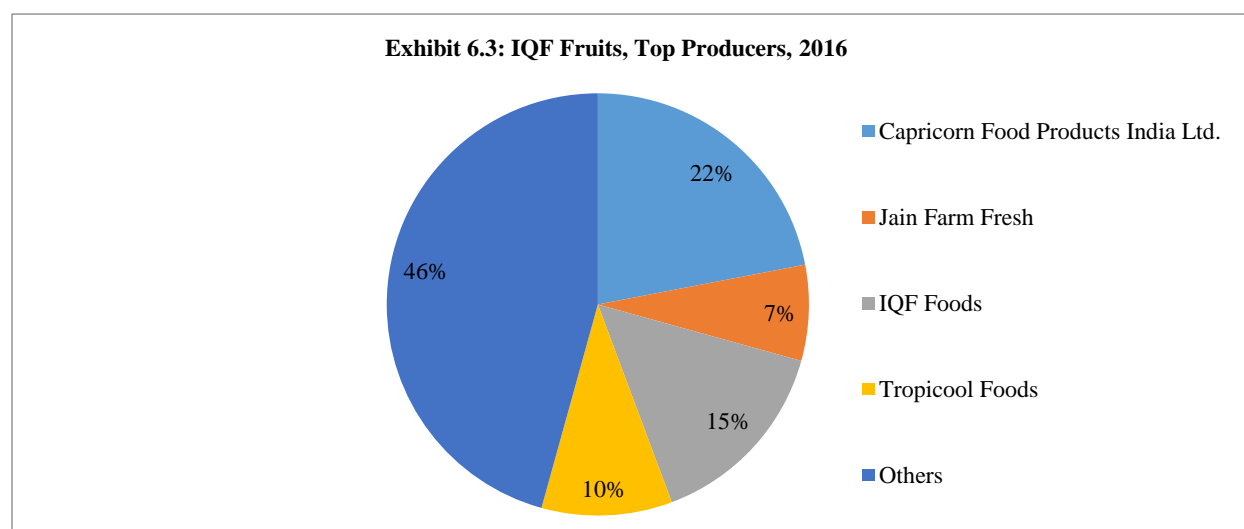
Trade Statistics of Indian IQF fruits (2016)

	Production in MT	Import in MT	Export in MT
IQF Fruits	27,300	40	26,840



Approximately 100% of IQF products in India are sold through the institutional sales channel, IQF fruit demand is negligible. Growth in India has been double digit, considering the base volume is very low in terms of demand. Although retail has been nil for the last few years, recently, high end retail outlets like 'Nature's basket' have been stocking IQF fruits for home consumption. The market has been growing at CAGR of ~30% in the last three years.

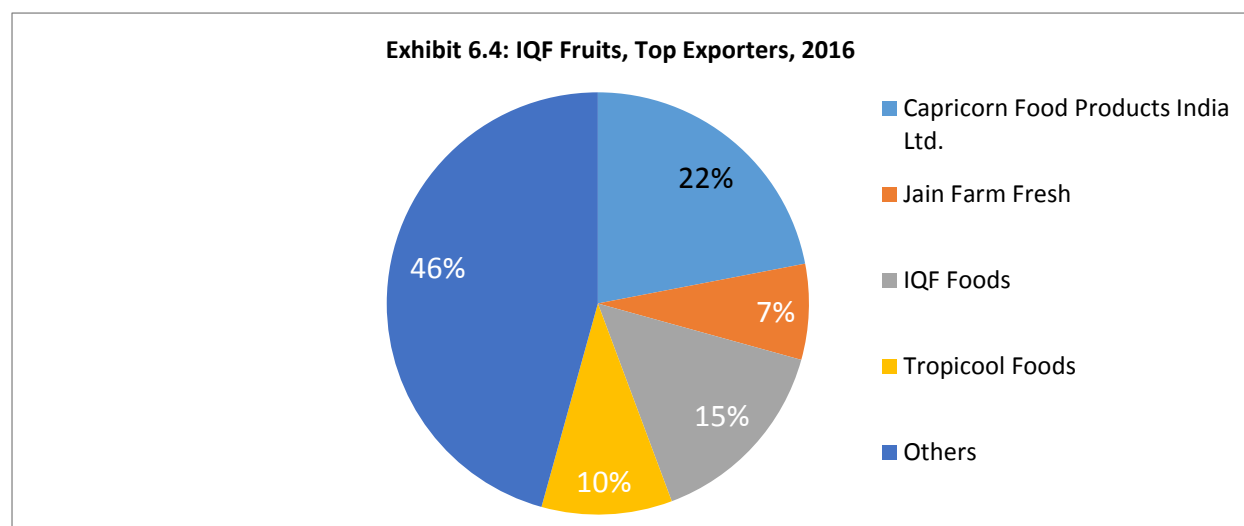
Market Share of Top Competitors for base year 2016



Others include B.Y. Agro & Infra Ltd, Vadilal, Industries Ltd, Srini Food Park, Foods and Inns, etc.

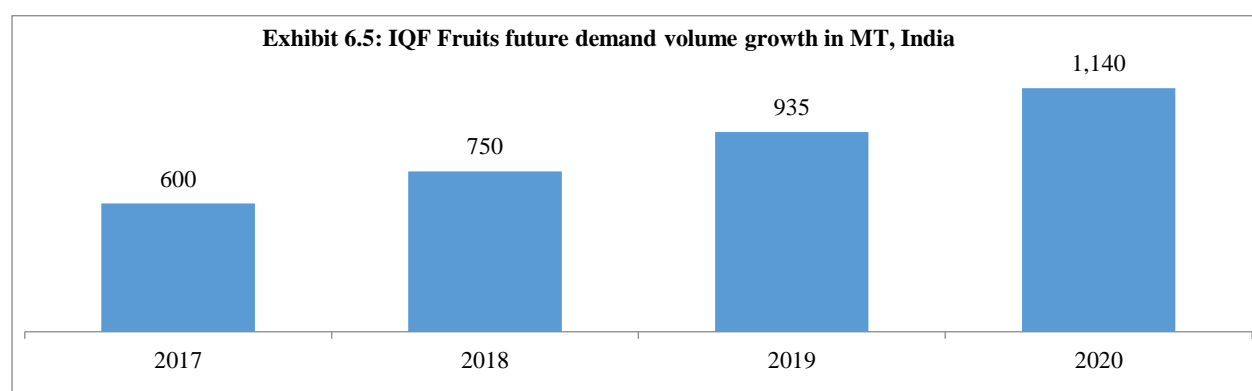
The Indian IQF fruits segment is considerably consolidated, compared to the vegetable segment. Small-scale players account for over 40% of total supply. The major categories of IQF fruits globally include red fruits, berries, mango, papaya, kiwi and others (guava and pomegranate). Capricorn Food products is the largest producer of IQF

fruits in India with 22% of the production and is also the largest exporter of IQF with 22% of total exports. Other major producers and exporters include Jain Farm Fresh, IQF foods and Tropicool Foods.



Others include B.Y. Agro & Infra Ltd, Vadilal, Industries Ltd, Srini Food Park, Foods and Inns, etc.

Future Market Size for the period 2017-2020



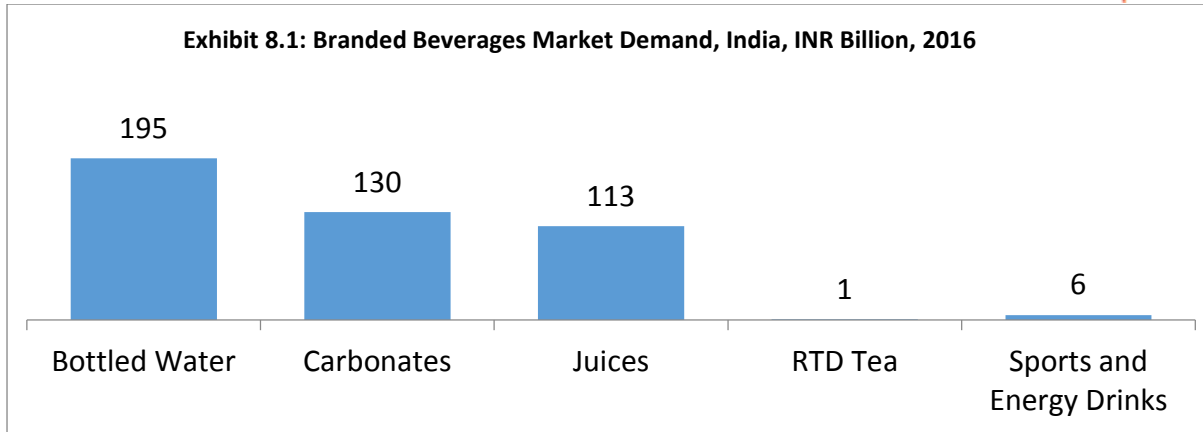
Growing usage of frozen fruits in desserts such as ice-cream, smoothies and also in juices are expected to drive demand for IQF fruits market especially in the food processing space. Other growth contributing factors include increasing preference toward 'global' foods and exotic varieties, supported by increased disposable income and rising inclination of the consumer for more packaged and convenience food product. In India, the market is expected to grow at CAGR of 23%. Newer exotic/regional varieties are expected to gain higher export share. Considering the interest in horticulture products and support across the value chain by government, more investments are expected in the fruit processing space, specifically for cold chain development. Globally, the market is expected to grow at a CAGR of 10% from the current volume demand of ~2 million MT. North America is and will remain the largest market with 40% of the global demand. Western Europe will remain the second largest with 18-20% of the global demand. Nestlé S.A, Parmalat S.p.A., Danone, Fonterra Co-operative Group Limited, FrieslandCampina N.V., Arla Foods AMBA, Dean Foods, Saputo, Inc etc are some of the major end user companies for IQF fruits.

Branded Beverages

India

Market Size for Branded Beverages

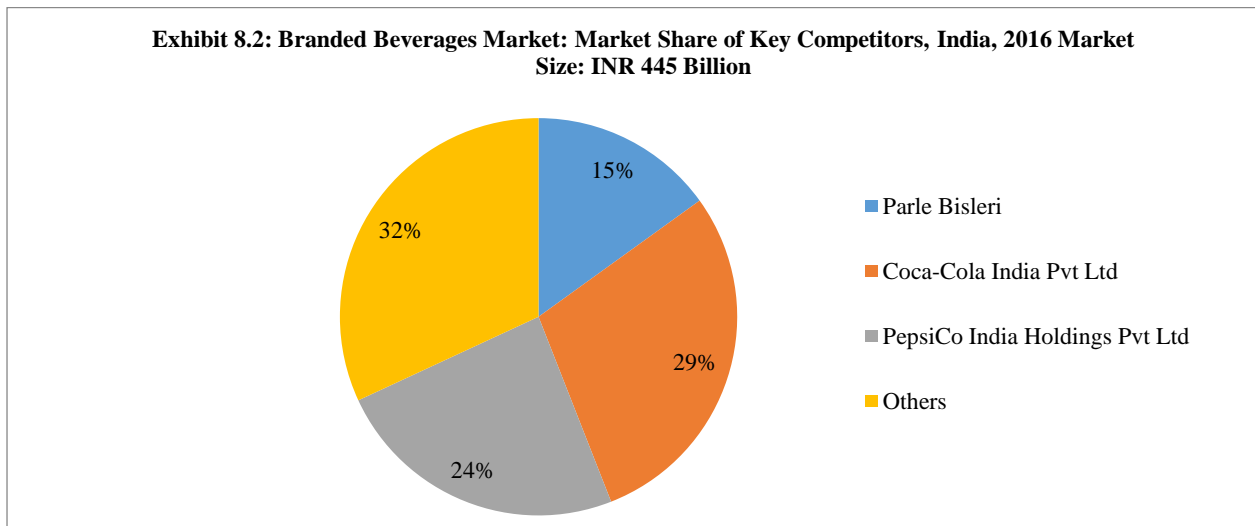
Exhibit 8.1: Branded Beverages Market Demand, India, INR Billion, 2016



Traditionally dominated by carbonated drinks and synthetic juices, branded beverages now offer a variety of options to consumers including real fruit juices, bottled water, and sports drinks. Bottled water forms approximately 73% of total volume demand for branded beverages and 44% of total value. Over 1,500 bottling units cater to over 100 brands in India. The boom in the Indian bottled water segment was felt in the early 1990s when very few market players such as Bisleri were present in the market. Although bottled water gets sold the most, carbonated drinks lead in revenue generation. Juices are a high value segment that fetches approximately five times the value for a similar serving of bottled water. Per capita consumption of branded beverages (soft drinks) in India is only 3 liters compared to approximately 90 liters in the US, highlighting the tremendous opportunity. The numbers indicated do not include flavored drinks and milk based offerings like milkshakes or flavored milk, lassi, buttermilk, etc.

Market Share of Top Competitors

Exhibit 8.2: Branded Beverages Market: Market Share of Key Competitors, India, 2016 Market Size: INR 445 Billion

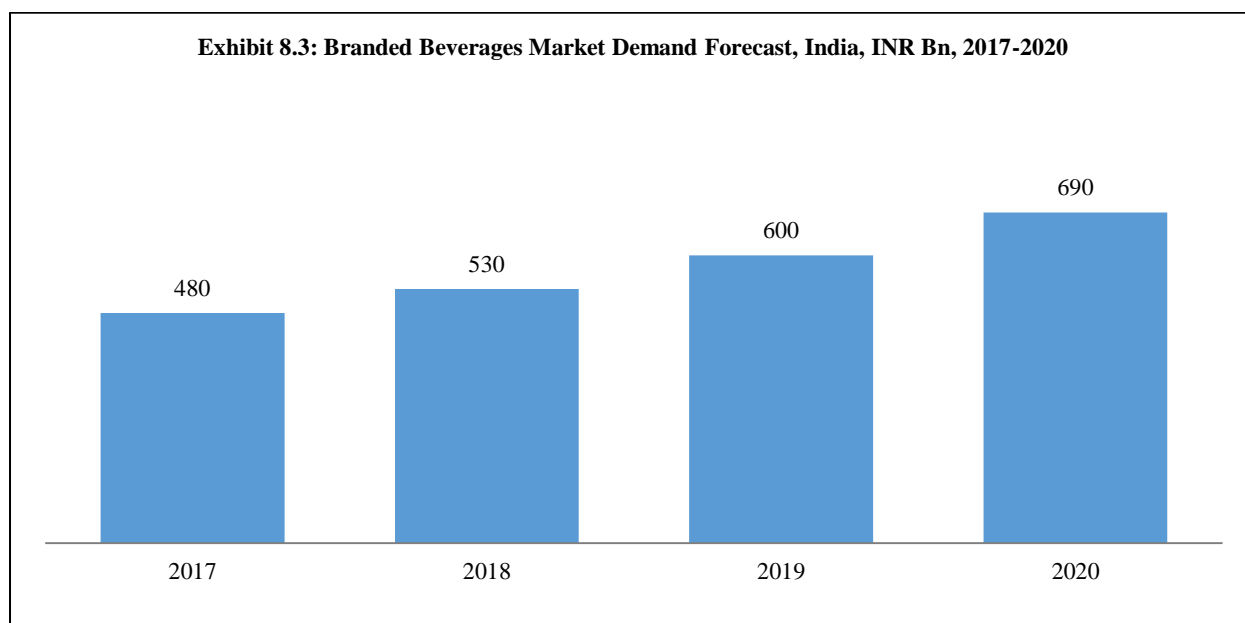


Others include Companies like Parle Agro, Dabur, Tata Global, UB Group, etc.

Given the large volume of bottled water sold in the market, Bisleri is the most preferred brand with market share of 24% by volume. However, this translates to only 15% value share. Otherwise, the branded beverages segment is dominated by MNCs. In value terms, Coca-Cola (29%) and PepsiCo (24%) dominate with over 50% of the total share and Parle Bisleri has 15%. Newer brands like Paper Boat have added to the competition with consumers also looking for variety. Extensive distribution networks, strong marketing, and promotional efforts have been the key reasons for dominance of the MNCs and Parle. Bisleri has opened exclusive retail outlets that sell only Bisleri products. Bangalore and Mumbai are current key locations. Recently, Indian companies like Parle Agro and Dabur have intensified marketing efforts and have adopted different strategies to enhance brand awareness and positioning. In mango-based beverages, Parle has been able to overtake PepsiCo's brand in the constituted juice segment.

Demand Forecast, and Key Factors

Exhibit 8.3: Branded Beverages Market Demand Forecast, India, INR Bn, 2017-2020

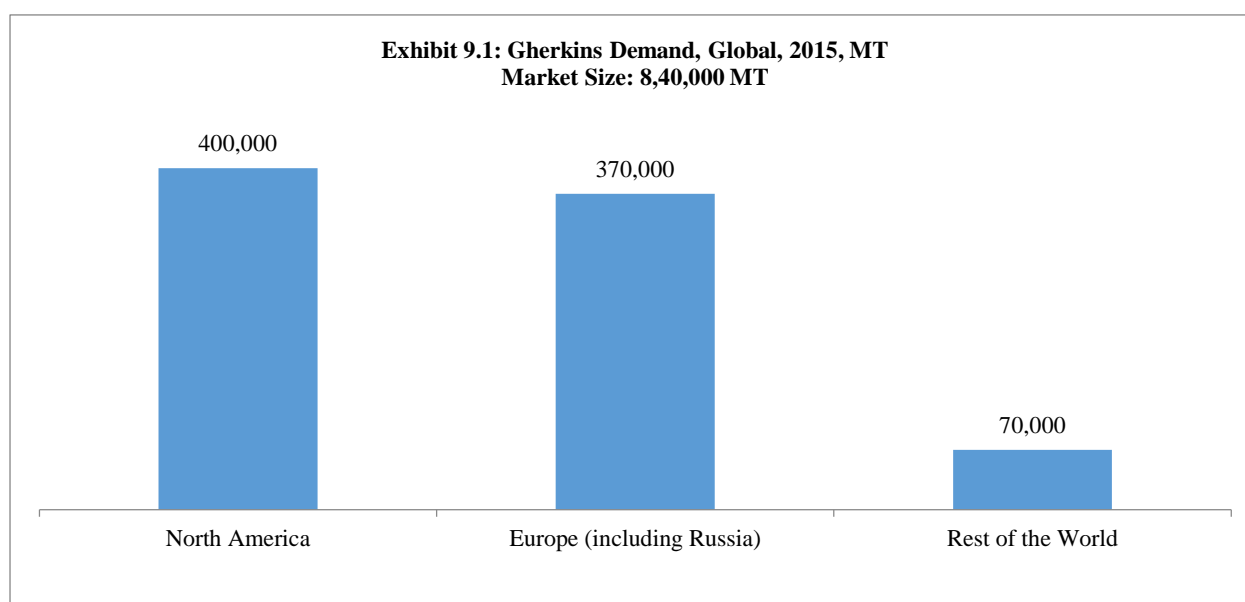


Changing lifestyles and spending habits coupled with increased disposable incomes, availability of global brands and new options are driving Indian consumers to consume branded beverage products. Value-added variants claiming health benefits are increasingly being launched to create a niche and drive demand from the health-conscious segment. With globalization leading to exposure to multiple cultures, urban consumers have become more willing to experiment with foods and beverages. Capitalizing on this trend, domestic companies are offering new products that were previously unavailable in the organized market, including new variants like mosambi juice. Foreign companies are also entering Indian markets to offer new products in this space. Organized retail outlets in urban cities are the most prominent channels through which these products are sold. All these factors together have been responsible for the growth of the beverages industry in India. The demand in volume terms is expected to grow at a CAGR of 18% until 2020. Value-added products such as flavored water, fortified water, fortified juices, innovative flavors, traditional Indian flavors are gaining higher popularity and would drive value growth of otherwise commoditized segments.

Gherkins

Global Market Overview

Exhibit 9.1: Gherkins Demand, Global, 2015, MT
Market Size: 8,40,000 MT

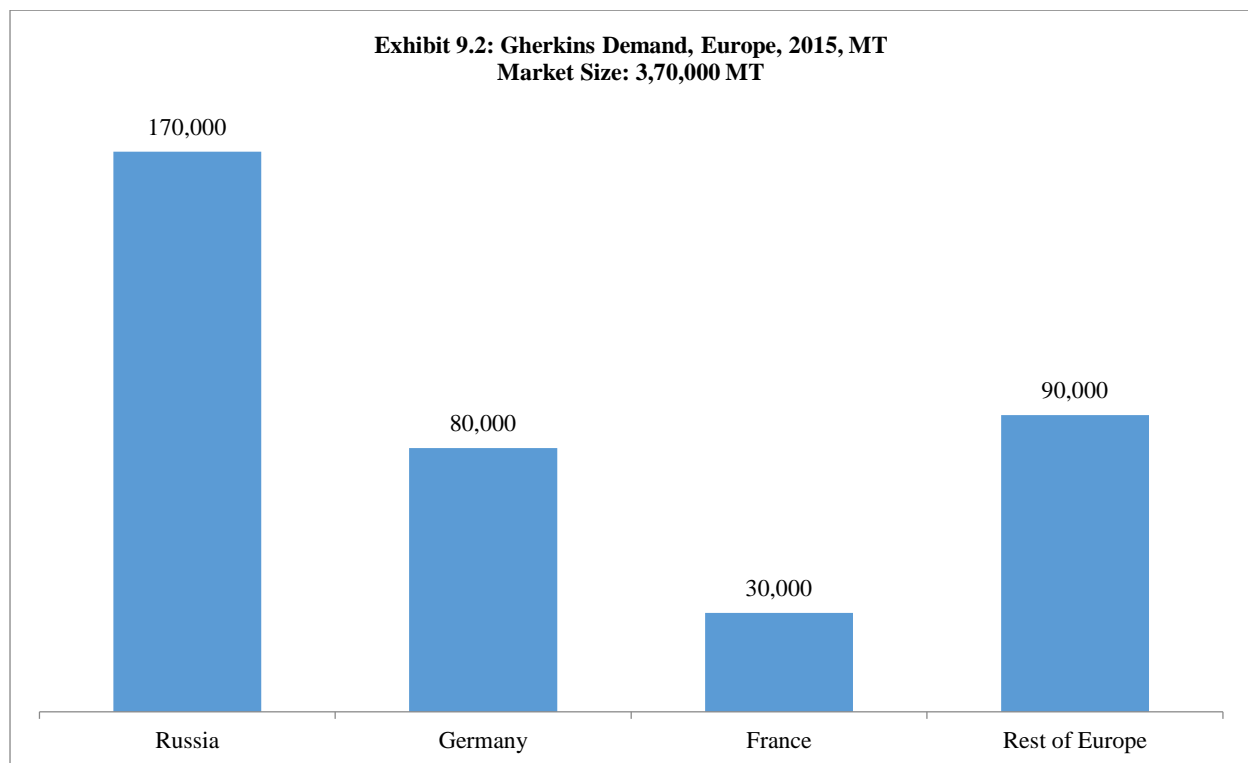


Although gherkins and commercial cucumbers belong to the same species, they are from different cultivar segments. Gherkins are harvested when they are 4 to 8 cm in length. They are pickled in vinegar or brine. They are usually consumed as an appetiser before meals or often as a snack with cheese and crackers. Also, they are used in preparing sandwiches and enhance the taste of burgers and tortillas. Globally, North America (primarily the US) is the largest market for gherkins, followed by Europe (including Russia). Both cumulatively account 92% of the global market. Individually, the US, Russia, Germany and France are the top four markets for gherkins globally. Amongst Rest of the World Markets, Middle East is amongst the largest markets for gherkins, as they are seen as substitutes for locally pickled vegetables by the local population. Within Asia, Japan and Korea are key markets, with negligible consumption in South Asia, South East Asia and China.

Europe

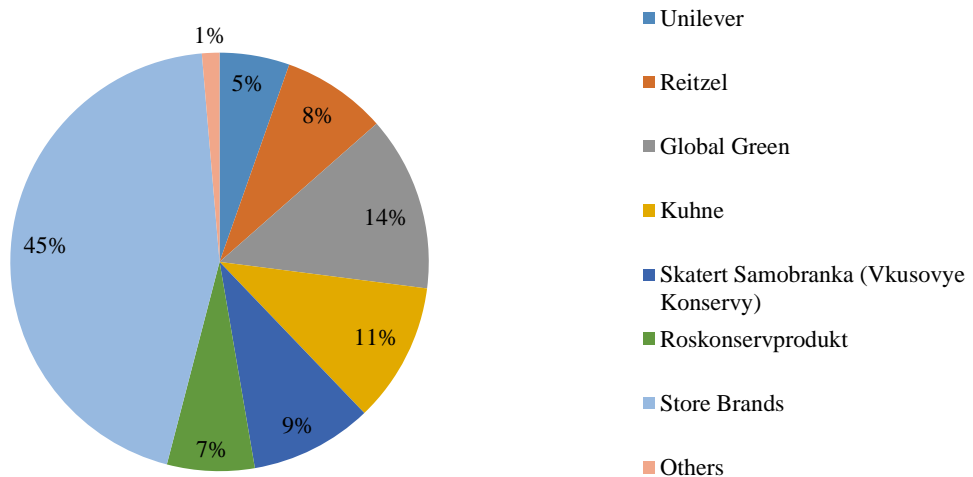
Gherkins Europe Market Overview

Gherkins are used in many cuisines and cultures they were initially associated with in Eastern and Central European cuisine. In Europe, gherkin is largely grown in Southern Germany, Hungary, Poland and Romania. As a result, these countries are key suppliers to the European Union. Owing to its large domestic demand, Germany imports Gherkins as well. Import of gherkins into Germany is highly concentrated with the three largest suppliers, Turkey, the Netherlands and India, accounting for nearly 80% of the total imports. Turkey has historically been the largest supplier to Germany, however of late, Turkey's share of imports has been declining, losing market share to India. In 2015, India accounted for 29% of Germany's total imports, up from 21% in 2012. As France does not cultivate gherkins, France is one of the larger importers of gherkins in the region. Hungary, India and Mexico are the main suppliers. France imports nearly all of its 30,000 MT demand.



Gherkins, Competitive Scenario, Europe

Exhibit 9.3: Gherkins Market, Competitive Scenario, Europe, 2015, MT
Market Size: 370,000 MT



Others include, Bonduelle, Bahr, Carl Durach, Ruspole (Dyadya Vanya), Maminger Konserven etc.

Store brands Leclerc, Carrefour, Rewe Group, Coop Italia, Delhaize group, Auchan, Waitrose, Tesco etc.

Global Green is one of the largest suppliers of Gherkins in Europe, followed by Reitzel and Unilever. These companies are primarily focused on Western Europe with limited sales to Eastern Europe and Russia. In Russia and Eastern Europe, local companies such as Skatert Samobranka, Roskonservprodukt, Dyadya Vanya (Ruspole) and Bonduelle are extremely popular. Gherkins are consumed in both food service and food retail in the European Market. Foodservice sale is primarily to the HORECA segment with brands such as Subway, McDonald's, Domino's etc. Food retail sales are through company-owned brands such as Tify (Global Green), Amora (Unilever) etc. as well store brands such as Leclerc, Rewe Group, Waitrose, Tesco, Auchan etc. These large retail chains now directly procure retail packs from India, with the store label and sell it to their customers.

Companies like Global Green and Reitzel aim to sell to food service, food retail (own brand) and private label for store brands as well. In most countries in Western Europe, store brands typically account for 50% of gherkins sale to consumers. In Russia and CIS countries, store brands typically accounted for 40% of the total sale, and are gradually expected to catch up with their counterparts in Western Europe in this regard.

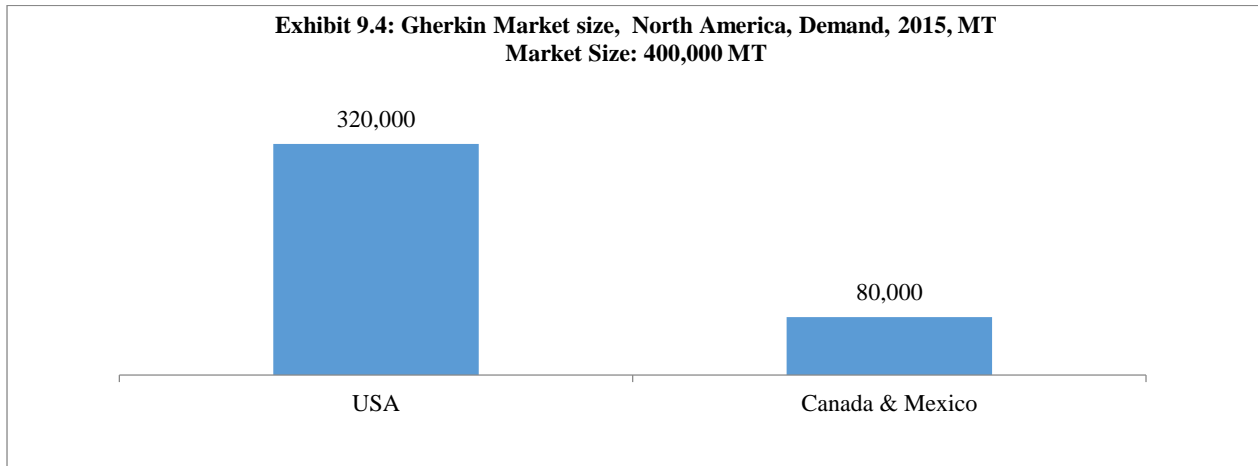
Typically for Indian players, private labelling for store brands is the most lucrative model to be followed. Selling directly to brands like Unilever, or to food service are low margin bulk businesses. Additionally, selling to store brands through traders, who aggregate from multiple sources, results in fairly low margins. However, directly private labelling for store brands comes with its own sets of barriers and challenges. Store brands typically restrict to four to five sources and often have lengthy approval processes. Even when source is approved, they typically get only small volumes for the initial years, thereby resulting in a lengthy amount of time before the supplier can be assured of significant volumes. Additionally, store brands may also choose to group together and procure as an entity to improve their bargaining power. For example, Leclerc Group, Rewe Group, Coop Italia and Delhaize group formed an alliance for procurement known as the Coopernic.

While initially begun as an initiative to counter the concentration in the FMCG industry and improve the retailers bargaining power, now Coopernic is the alliance through which most of their procurement is done, including for gherkins. However, once suppliers have broken into these store brand accounts and start private labelling for them, they are typically assured of both volumes and strong margins.

Zenobia Agro (also known as ZI foods outside India), one of the few Indian players solely focused on this model, has been very successful in France. As of 2015, they are the second largest supplier of private labelled packs to store brands in France. The largest player in the French Private Label Gherkins market was Reitzel with a share of 60%, followed by Zenobia Agro with approximately 14%. Other suppliers include Sourz (12%) and Global Green (9%). Apart from Zenobia Agro, all the other companies are either of European origin, or have strong presence in Europe through acquisitions, which is indicative of barriers to entry for Indian companies into this space.

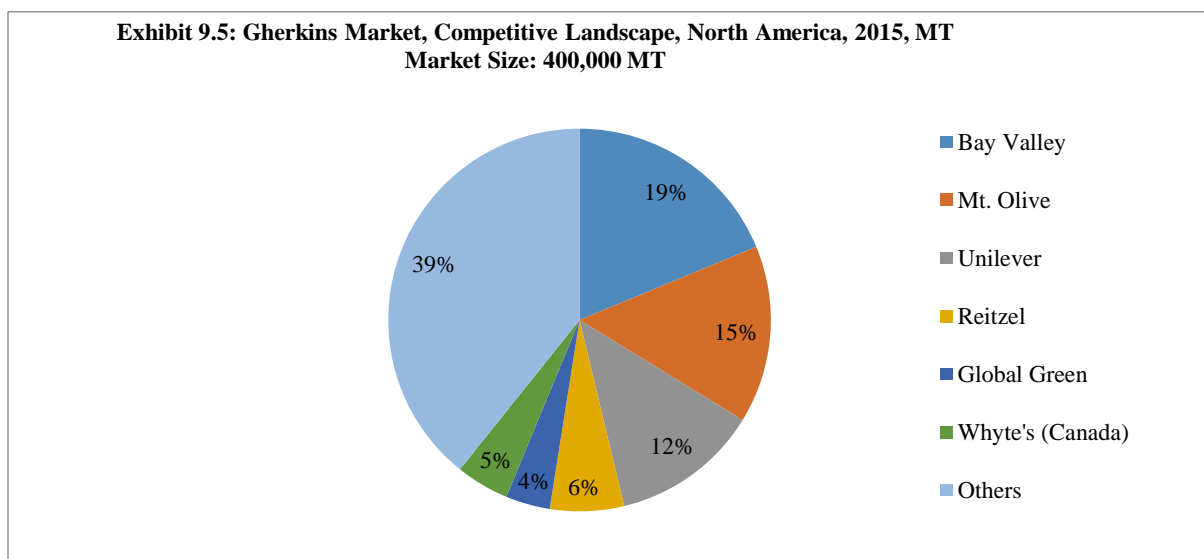
North America

Gherkins North American Market Overview



The US accounts for 80% of market demand in North America. Volume sales of gherkins, especially in the food retail segment have largely been stagnant. This is attributed to the fact that gherkins are more popular with the older population and less so with the younger generations, who are currently driving consumption growth in the US. Gherkin imports, on the other hand, have been on the rise, as local cultivation of gherkins in the US is gradually declining as farmers move to more profitable crops. India accounts for nearly 60-70% of the gherkins imported into the US. Canada, Turkey and Israel cumulatively account for another 10%, and the rest comes from other European countries with small amounts from Latin American countries such as Honduras and Costa Rica. The bulk of Canadian imports of gherkins are for gherkins in vinegar/acetic acid, as opposed to gherkins in brine, sold from India. Canada and Mexico have limited consumption of gherkins, with most of the sale being through foodservice outlets, typically Quick Service Restaurants (QSR), where the gherkins are served along with meals such as burgers etc.

Gherkins, Competitive Scenario, North America



Others include Heinz, Kraft Foods, Riviana, Wal-Mart, Costco etc.

Bay Valley Foods, Mt. Olive and Unilever are the top three suppliers for gherkins in the region. European brands such as Reitzel and Global Green have a relatively low market share. Nearly half the sale to consumers is via the foodservice channel in North America, with gherkins being an extremely popular pickle served with burgers and other meals in the region. Food retail sale is dominated by Bay Valley (Nalley, Farmans, Heifetz etc.), Mt. Olive

and Unilever (Maille, Amora etc.). Bay Valley additionally packs and labels for store brands in the region. Large retail chains, such as Wal-Mart, Costco, prefer to directly import retail packs of gherkins with their store labels (primarily from India).

India

Karnataka, Tamil Nadu and Andhra Pradesh are the three states in India where gherkins are primarily cultivated. Karnataka accounts for approximately 60% of total gherkin production in India. Since gherkins are not suited to the Indian palate and are savoured by many European countries and the US, nearly all the gherkins cultivated in India are exported. It is typically considered a 100% export-oriented product in India. As a result, India is the largest exporter of gherkins in the world. In 2015, India exported 233,000 MT of gherkins, which accounts for roughly 28% of total global gherkin supply.

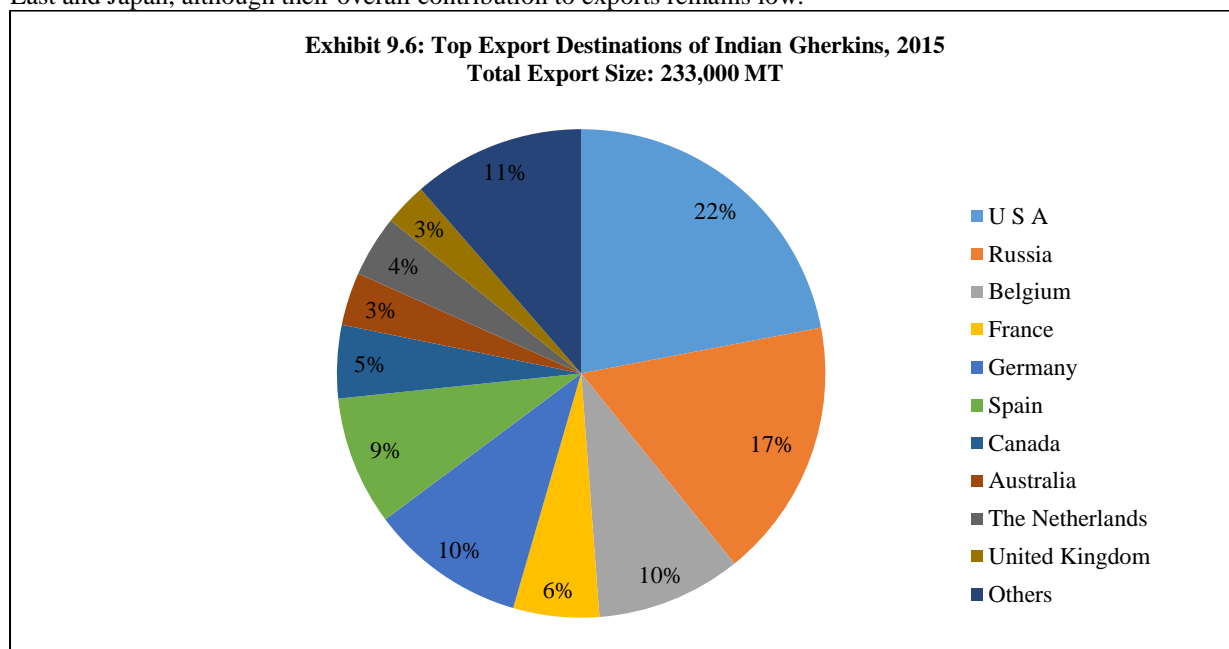
Gherkin Exports From India

Key export regions traditionally have been Russia followed by the US. In 2015, the trend reversed, with the US being the primary export partner for gherkins from India. Indian gherkins typically account for 60-70% of the US's total import of gherkins. Exports to the US have been growing marginally over the last few years, as the cultivation of gherkins in the US has been slowing down due to largely stagnant sales of gherkins, especially in the food retail channel.

On the other hand, India's export to Russia fell from 55,000 MT in 2014 to 40,000 MT in 2015. Gherkins are extremely popular in Russia and are consumed all year round. However, cold and dark winters make it difficult to cultivate the current gherkin varieties and yield optimal quality and volumes, essentially making it a seasonal product for local cultivators. As a result, Russia used to import nearly 100,000 MT of gherkins on a yearly basis, with 55-60% of the imports coming from India.

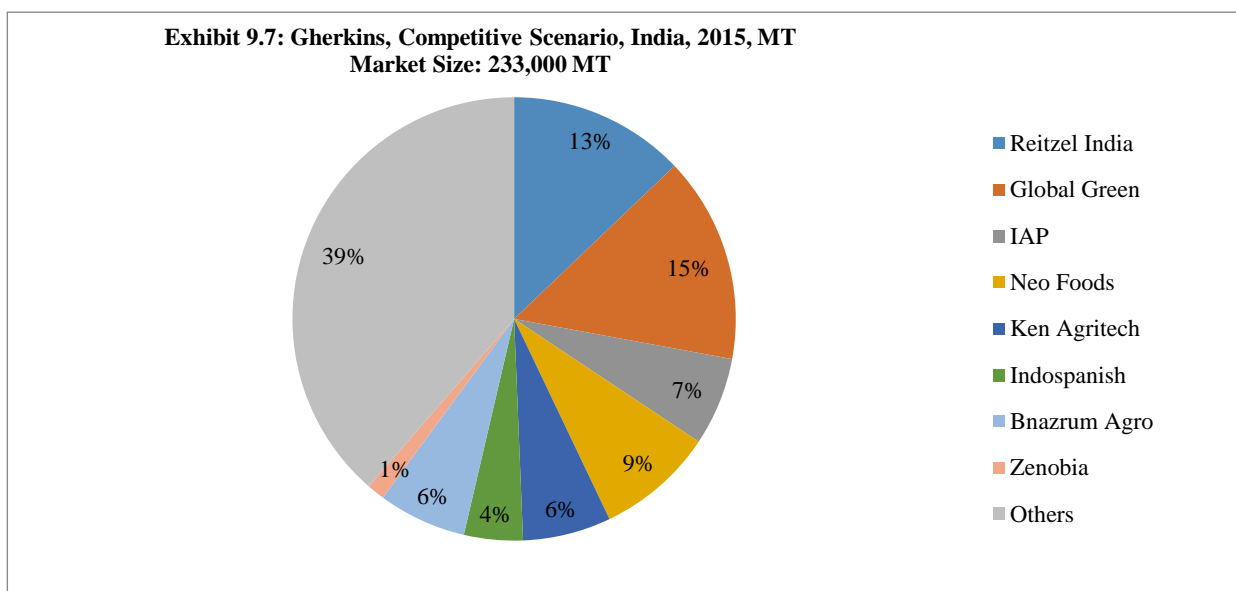
A recent break-through in Russia has resulted in a breed of gherkins which make more efficient use of the available light to produce significant volumes of gherkins at the right quality. As a result, Russia's import of gherkins fell to approximately 60,000 MT in 2015 with imports from India falling to approx. 40,000 MT. Russian import of gherkins from India is expected to fall marginally further and stabilise around the 30,000-35,000 MT mark, as there is a significant demand for Indian origin gherkins in Russia, specifically Indian origin Cornichons and mini Cornichons.

As a result of the fall in Russian demand, Indian exports have been stagnant over the last year. The fall in volumes was largely made up by additional demand from the US and Europe, where cultivation of gherkins is on the decline, given the less than 1% growth in both markets. Additionally, India saw growth in exports to the Middle East and Japan, although their overall contribution to exports remains low.



Others include Poland, UAE, Iraq, Saudi Arabia etc.

Gherkins, Competitive Scenario, India



Others include Koeleman India, Exotic Agro, Vishaal Naturals, Green Agropack etc.

Rietzel, Global Green and IAP (Marqatus) sell primarily to their counterparts in European and US markets. Reitzel sells to other Rietzel companies globally. Global Green sells primarily to Intergarden N.V., its European subsidiary and Global Green USA Ltd. IAP (Marqatus) has exports of 35,000-40,000 MT, of which only 15,000 MT is produced in-house, and the remainder is aggregated from smaller players and sold to Marqatus companies in the US and Europe. As a result, their share of supply is considered at 15,000 MT. Typically 20-25% of exports are considered captive, as it is sold directly to group companies of the exporter in the target regions. Only 75-80% is typically the merchant market for exports. Of this, the larger companies (that focus wholly on the merchant market) are Neo Foods and Ken Agritech. However, these companies currently have limited direct sales to customers such as Unilever and Bay Valley and retail chains such as Wal-Mart and Costco. Over 60-70% of exports from these players are to traders who sell to customers and retail chains. As a result, realisation on exports for these players is lower than for competitors such as Zenobia Agro. Despite capacity of 10,000 MT, the company as a policy sells only direct to end-users, thereby protecting its profit margins. While Zenobia Agro exported only 3,000 MT in 2015, it is considered one of the more profitable companies in the Indian gherkins industry.

OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “**Forward-Looking Statements**” on page 15 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*The industry data in this section has been extracted from the report dated November 20, 2017, titled ‘Market Opportunity Analysis for Fruit and Vegetable based Ingredients in India’, prepared by Frost & Sullivan (the “**Frost & Sullivan Report**”). Neither we, nor the Selling Shareholders, the BRLMs, nor any other person connected with the Offer has independently verified this information.*

Unless otherwise stated, references in this section to “we”, “us”, or “our” (including in the context of any financial or operational information) are to our Company, along with our Subsidiaries, on a consolidated basis.

*To obtain a complete understanding of our business, prospective investors should read this section in conjunction with “**Risk Factors**”, “**Industry Overview**”, and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 17, 113 and 267, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

Overview

We are the second largest fruit based ingredients supplier in India. In mango pulps and concentrates, we are the world’s fourth largest supplier, with an overall market share of approximately 5% and India’s second largest manufacturer with approximately 13% volume share in 2016. We are also the largest exporter of mango pulps and concentrates from India, with approximately 13% share of global market production volumes in 2016. We are India’s largest supplier of tomato paste and puree with approximately 9% volume share in 2016. We are also India’s largest producer and exporter of individually quick frozen (“**IQF**”) fruits with approximately 22% volume share in 2016. (Source: Frost & Sullivan Report)

While our primary product has been mango pulp and concentrates, over the years, we have diversified into other fruit pulps, including not from concentrate (“**NFC**”) and concentrates derived from guava, banana and papaya; tomato paste and puree; IQF fruits and vegetables; and other fruit and vegetable blends, crushes and processed products, including gherkins.

In fiscal 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products (including other processed fruits and vegetables like guava, gherkins, banana and papaya), aggregated to ₹ 2,959.47 million, ₹ 304.49 million, ₹ 477.17 million and ₹ 561.77 million, accounting for 68.78%, 7.08%, 11.09% and 13.06% respectively, of our revenue from product sales. In the six months ended September 30, 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products, aggregated to ₹ 1,548.92 million, ₹ 102.89 million, ₹ 293.52 million and ₹ 329.04 million, accounting for 68.10%, 4.52%, 12.91% and 14.47% respectively, of our revenue from product sales, in this period

We have a strong presence in the export as well as the domestic markets, with our export and domestic sales accounting for 54.95% and 45.05% of our revenue from product sales for fiscal 2017, and 49.54% and 50.46% of our revenue from product sales in the six months ended September 30, 2017, respectively. In fiscal 2017, we catered to over 40 countries across Europe, Middle East, Asia Pacific, Africa and North America.

We supply fruits and vegetables based ingredients to over 300 customers including branded fruit based beverages companies, processed food producers, companies selling ice cream and bakery items, frozen foods and companies selling frozen fruits and vegetables.

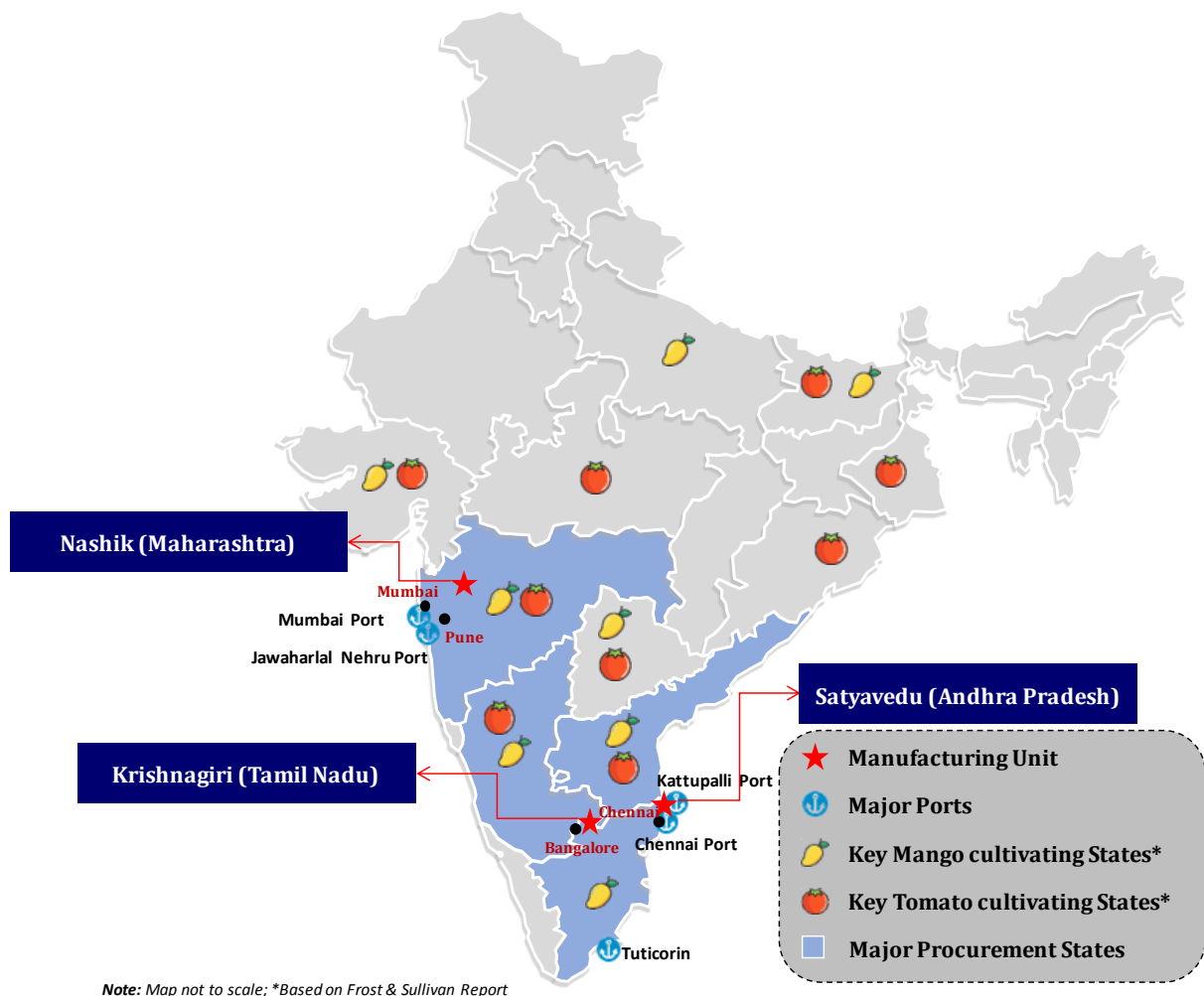
We have long-standing relationships with several marquee global and Indian companies, supplying ingredients to them directly and to their suppliers. In fiscal 2017, approximately, 78.93% and 62.12% of our revenue from domestic and export sales, respectively, was derived from repeat customers, i.e., to which we have made uninterrupted supplies within the last three years.

Our major domestic customers include multinational companies such as Coca-Cola India Private Limited, which has been our customer for approximately 12 years, and Varun Beverages Limited, one of the largest franchisees in the world (outside the US) of carbonated and non-carbonated beverages sold under the trademark owned by PepsiCo, which has been our customer for approximately 10 years. In the domestic market, we also supply to Manpasand Beverages Limited, Cremica Food Industries Limited, FieldFresh Foods Private Limited, Hector Beverages Private Limited and certain multinational companies.

Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and 9 years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

We commenced operations in 1998 and as of the date of this Draft Red Herring Prospectus, we have three multi-functional production facilities, strategically located in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra, which are high fruit and vegetable cultivating states, in addition to being major seaports. We have three IQF tunnels and five blast freezers, across our production facilities, and are in the process of installing another IQF tunnel and two more blast freezers.

In addition to our production facilities, we also use two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh to cater to increased demand during peak seasons, under arrangements with third party manufacturers. The following map indicates our production facilities:



We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra.

We place significant emphasis on quality control and safety at each step of the production process, and have obtained several quality control and other certifications and accreditations for our facilities and products, as described under “- **Quality Control**” on page 162. Among other awards, we have received the SME2 Business Excellence Award from Dun and Bradstreet in 2015.

Our Promoter, Chairman and Managing Director, Rahoul Jain, was recognized as the ‘Entrepreneur of the Year’ by TiE in 2013, the ‘SME Business Excellence Award’ at the ‘Karur Vysya Bank - Dun & Bradstreet SME Business Excellence Awards, 2015’ and was nominated in 2013 as “India’s Emerging Entrepreneur” during the Emerging India Awards. In addition to his overall supervision of our operations, Rahoul Jain heads business development and manages key client relationships. Shuchi Jain, our whole time director, heads our human resources and administrative functions. Both Rahoul Jain and Shuchi Jain have been involved with our Company since its incorporation, and have over 18 years of experience in this business.

Over the years, we have established a track record of strong financial performance and growth. Our total revenues has increased at a CAGR of 13.61% from ₹ 3,142.31 million in fiscal 2014 to ₹ 4,607.86 million in fiscal 2017. Our earnings before interest, tax, depreciation and amortization (“**EBITDA**”) increased at a CAGR of 23.49% from ₹ 442.16 million in fiscal 2014 to ₹ 832.66 million in fiscal 2017. Our profit after tax (“**PAT**”) has increased at a CAGR of 22.64% from ₹ 124.70 million in fiscal 2014 to ₹ 230.04 million in fiscal 2017.

Competitive Strengths

Leading player in the fruits and vegetable processing industry with a wide array of products

We are the second largest fruit based ingredients supplier in India. In mango pulps and concentrates, we are the world’s fourth largest supplier with an overall market share of approximately 5% and India’s second largest manufacturer with approximately 13% volume share in 2016. We are also the largest exporter of mango pulps and concentrates from India, with approximately 13% share of global market production volumes in 2016. We are India’s largest supplier of tomato paste and puree with approximately 9% volume share in 2016. We are also India’s largest producer and exporter of IQF fruits with approximately 22% volume share in 2016. (Source: Frost & Sullivan Report)

While our product offerings were comprised of mango pulp and concentrates, over the years, we have diversified into a wide range of other products including other fruit pulps, including NFC and concentrates, including guava, banana and papaya; tomato paste and puree; IQF fruits and vegetables; and other fruit and vegetable blends, crushes and processed products, including gherkins.

In fiscal 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products (including other processed fruits and vegetables like guava, gherkins, banana and papaya), aggregated to ₹ 2,959.47 million, ₹ 304.49 million, ₹ 477.17 million and ₹ 561.77 million, accounting for 68.78%, 7.08%, 11.09% and 13.06% respectively, of our revenue from product sales. In the six months ended September 30, 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products, aggregated to ₹ 1,548.92 million, ₹ 102.89 million, ₹ 293.52 million and ₹ 329.04 million, accounting for 68.10%, 4.52%, 12.91% and 14.47% respectively, of our revenue from product sales, in this period.

Our diversified product portfolio provides us with the flexibility to operate successfully across business cycles, mitigate seasonality risk, and helps us serve a range of consumers, from multinational companies to emerging market players. We undertake in-house research and development activities, on our existing products and in areas we consider to have significant growth potential, based on feedback from our customers and our perception of the market in general.

Our ability to identify market trends and develop, produce and sell new products and product variants has contributed to the growth and diversification of our business. Towards this end, our production facilities are designed in a manner that they are capable of processing multiple fruits and vegetables for varied end-use applications, including juices, pulps, purees and concentrates at varying levels of concentration, or cut fruit and vegetables in different size and other specifications, for use in products such as flavoured yoghurts and drinks, aligned with our consumers’ evolving preferences and emerging market trends.

For example, we have developed new varieties of mango purees and concentrate, tomato crush and multi-fruit blends for certain customers. We have developed guava IQF for one of our multinational customers, which are

sold by our customers to the end-users. We have also developed IQF coconut dices and Alphonso mango chunks, for our customers in the ice cream industry.

Strong relationships with the large and emerging global and Indian companies and brands

We supply fruits and vegetables based ingredients to over 300 customers including branded fruit based beverages companies, processed food producers, companies in ice cream and bakery items, frozen foods, companies selling frozen fruits and vegetables. Our domestic and export customers contributed to 45.05% and 54.95%, respectively, of our revenue from production sales in fiscal 2017.

We have long-standing relationships with several marquee global and Indian companies, supplying ingredients to them directly and to their suppliers. We benefit from our long association with these customers, including in terms of our adoption of stringent quality controls and industry best practices such as sustainable farming and raw material traceability, which certain of our marquee customers expect of us. Moreover, our diversification of revenues across multiple customers throughout several geographies allows us to prevent or mitigate any possible concentration in any customer segment or geography.

Our major domestic customers include multinational companies such as Coca-Cola India Private Limited, which has been our customer for approximately 12 years. We also supply our products to Varun Beverages Limited, one of the largest franchisees in the world (outside the US) of carbonated and non-carbonated beverages sold under the trademark owned by PepsiCo, which has been our customer for approximately 10 years. We also supply to Manpasand Beverages Limited, Cremica Food Industries Limited, FieldFresh Foods Private Limited, Hector Beverages Private Limited and certain other multinational customers.

In fiscal 2017, approximately 78.93% and 62.12% of our revenue from domestic sales of products and export sales of products, respectively, was derived from repeat customers, i.e., to which we have made uninterrupted supplies within the last three years.

Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

Our success in leveraging our strong customer relationships is illustrated in the growth of our business over the years. Our total revenues have increased at a CAGR of 13.61 % from ₹ 3,142.31 million in fiscal 2014 to ₹ 4,607.86 million in fiscal 2017.

Strategically located multi-functional production facilities with quality certifications

All our production facilities are strategically located in high fruit cultivating belts and also enjoy close proximity to major seaports. We have three multi-functional production facilities, located in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra. In addition to our production facilities, we also use two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh to cater to increased demand during peak seasons, under arrangements with third party manufacturers.

The location of our production facilities in and around agricultural belts in Andhra Pradesh, Tamil Nadu and Maharashtra, allows cost efficiencies in our procurement and transportation of raw materials, as well as in transportation of our processed products (including to ports and delivery locations in Chennai and Mumbai), enabling us to reduce our operating costs and leverage economies of scale. In addition, our proximity to high cultivation belts, and our resulting control over our procurement process, allows us to ensure traceability from raw material to supplied product, and to carry out appropriate testing of product samples, which also enables us to assure our customers of certain product specifications.

Our multi-functional equipment allows us to scale our business, as we may be able to test and commence processing different products and product variants, without incurring significant incremental costs for each such new product or product variant launch. Our production facilities are automated, with the flexibility to process large volumes of multiple fruits and vegetables to multiple specifications (including different fruits and vegetables cut into different sizes, or pulped and strained into different consistencies, or concentrated into different levels of concentration), based on our consumers' requirements and the availability of raw materials. We would focus on improving capacity utilization at our production facilities, including outside of the peak season, through increase

in our overall production volumes as well as diversification of our product portfolio, to include a larger share of non-mango fruit and vegetables products and value added products.

Our modern equipment includes certain specialized equipment. For instance, we have also introduced the hot break system to produce high viscosity pulp or paste, or concentration at various Brix levels as per customer specifications (Brix being the parameter based on which the solid content of a solution is measured, with the solid content rising with the degree of concentration), as well as a colour sorter, and a dedicated line for tomato pastes and derivative products, at our facility in Nashik, Maharashtra.

We have received various quality certifications for our production facilities, including from some of our multinational customers, as described under “- **Quality Control**” on page 162.

Large scale procurement and storage capabilities

We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra. To lead this initiative, we have two senior agronomists on our rolls.

Our procurement model and relationships with farmers, aggregators, collection centers and other vendors, through our continued engagement, as well as the knowledge and infrastructure support we provide to farmers, including initiatives on soil fertility, pest management, enables us to procure adequate supplies of quality fruits and vegetables at competitive prices. Moreover, the size and geographical coverage of our procurement model enables us to negotiate better terms including bulk discounts, avoid reliance on any limited set of vendors, and implement economies of scale, as well as to stabilize procurement costs in fluctuating demand and supply conditions. We also engage with farmers for sustained procurement of various fruits and vegetables, as part of which we provide farmers with knowhow on sustainable farming initiatives.

To support our large scale procurement, we have also equipped our production facilities with ripening chambers, where we have facilities for natural ripening, as well as ethylene-induced natural ripening. Our production and storage warehouses adhere to strict standards on food safety and hygiene, operated under process control systems that help maintain a pre-determined temperature for different products, from ambient to chilled and frozen. Our production facilities at Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra, have storage capacities of 19,984 MT, 22,315 MT and 11,700 MT, respectively, spread over 106,588 sq. ft., 113,528 sq. ft. and 69,595 sq. ft., respectively. This allows us to procure and process large volumes of fruits and vegetables at a time, including during off-peak seasons, while also managing concerns such as spoilage, or supply of unripe or over-ripe fruit and vegetable products or product variants to our customers.

Experienced Promoter and management team

Rahoul Jain, our Promoter, Chairman and Managing Director, was recognized as the ‘Entrepreneur of the Year’ by TiE in 2013, the ‘SME Business Excellence Award’ at the ‘Karur Vysya Bank - Dun & Bradstreet SME Business Excellence Awards, 2015’ and was nominated in 2013 as “India’s Emerging Entrepreneur” during the Emerging India Awards. In addition to his overall supervision of our operations, Rahoul Jain heads business development and manages key client relationships. Shuchi Jain, our whole time director, heads our HR and Administrative functions. Both Rahoul Jain and Shuchi Jain have been involved with our Company since its incorporation, and have experience of over 18 years in our business.

In addition to our Promoter, we have a dedicated management team, including our key managerial personnel, Mr. Ramesh Narayanan, our Chief Financial Officer, B.S. Parmar, President, Marketing, Ganesh Babu K, Vice President, Operations and Mythili Girish, Company Secretary.

For further details, see “**Our Management- Key Management Personnel**” on page 189.

Our Strategies

Maintain market leadership and improve our market share in India and internationally

We are the second largest fruit based ingredients player in India, the second largest player in mango pulp and concentrates market both in India and overseas, India's largest supplier of tomato paste and puree and India's largest producer and exporter of IQF fruits.

We continue to focus on maintaining our market leadership and increasing our market share in India as well as export markets, supported by growing demand, our procurement capabilities, strategically located multi-functional fruit and vegetable processing facilities, diversified product portfolio and strong customer relationships.

Within India, we are exploring opportunities to expand into newer markets, particularly in northern India. As part of our expansion strategy, we are looking for opportunities to develop a processing unit in northern India, either directly or through a joint venture. Our planned expansion into northern India is intended to provide us with access to a wider basket of fruit products, including litchi, peach, citrus fruits, strawberry, apples and berries.

We plan to explore and increase our penetration in select export markets, such as Africa, Vietnam and certain South American countries. For instance, we may explore enhancing our product portfolio by increasing export revenues from products such as gherkins, which are popular in overseas markets. To support this initiative, we may also explore different processing techniques and/or different packaging formats for our products to cater to varied customer specifications.

Continue to diversify our product portfolio

We will continue to expand our product portfolio providing a wide variety of offerings to our consumers, thus increasing our revenues and economies of scale over time. Our strategy is also to diversify into products with higher demand potential and higher margins.

We have forayed into value added products to cater to evolving consumer preferences and capitalize on emerging trends. For instance, we have started supplying new products such as IQF guava dices, frozen parathas, IQF coconut dices and Alphonso mango chunks.

Leveraging our multi-fruit/vegetable processing capabilities, we have a pipeline of varied new products under development, that we would seek to commercialize as and when we perceive a market opportunity in the future, including the launch of tomato-based products such as sauces and ketchup; new IQF products, such as vegetables, banana, pomegranates and grapes; other speciality products such as cooking sauces; crushes and blends with a mix of different fruits; customization of puree/concentrate grades along with frozen capabilities; and spray dried fruit and vegetable powders as well as coconut water concentrate and other derivatives to our customers.

We intend to cross-sell and widen the range of products we currently supply to our various customers, particularly our marquee multinational and other large customers, in order to evolve into strategic or preferred supply partners and to develop new products and product variants to support the launch of their end products.

Achieve inorganic growth through strategic acquisitions or investments

In addition to our organic growth over time, we intend to explore inorganic expansion by selectively identifying strategic acquisition, investment and collaboration targets operating in businesses that may be complementary to ours, allowing us to consolidate our market position, expand and diversify our product portfolio, increase our market reach, and improve our economies of scale.

In exploring inorganic growth opportunities, we would evaluate, positive supply-side dynamics, as well as a large addressable market for the sale of such products. For instance, India is the largest exporter of gherkins in the world. In 2015, India exported 233,000 MT of gherkins, which accounted for approximately 28% of total global gherkins supply. Europe is the second largest market for gherkins, with a market size of 370,000 MT, second only to North America, with a market size of 400,000 MT. Both these markets rely primarily on gherkin imports, on account of low local cultivation of gherkins. (Source: Frost & Sullivan Report)

Therefore, while we have recently entered into sales of gherkins procured by us, as part of our inorganic growth strategy, we propose to acquire a company that supplies gherkins, primarily for private label sales to large retail chains in Europe. Subject to due diligence and various other conditions precedent, we may enter into definitive agreements for such acquisition. We continue to keep evaluating such acquisition and / or investment opportunities that provide us access to high growth product categories and / or new markets.

Capitalize on the growth opportunities in the Indian domestic and exports fruit and vegetable processing sector

We are well-positioned to capitalize on the growth opportunities, due to strong supply-side dynamics. In 2014, India accounted for approximately 10.8% and 12% of global fruit and vegetable production in volume, respectively, and 11.4% and 13.9% of the global area harvested for fruit and vegetable, respectively. In fruits, India is the global leader in mango, papaya and guava production, and is a dominant producer of banana and a mix of other fruits, such as pomegranate, custard apple, sapodilla, and others. In vegetables, India is the global leader in okra production, and is a dominant producer of cauliflower, eggplant, onions, and peas, among others. (Source: Frost & Sullivan Report)

Due to the dearth of technological know-how, research activities, storage and logistics (cold chain), only a very small portion of the local fruits and vegetable produce is processed in the country. This provides us significant growth opportunities to capitalize upon considering our market position, procurement and processing capabilities, scale of operations and infrastructure built over the years.

Domestically, the fruit based ingredients market is valued US\$ 350 million in 2016; is likely to touch US\$ 645 million by 2020 at a CAGR of 13.6%. Fruit pulps and concentrates form the most significant fruit based ingredients category in India and the fruit based beverage industry is the biggest consumer of Indian fruit pulps and concentrates. India is the third largest beverages market in the world and it is forecast to grow at an encouraging rate owing to urbanization, changing lifestyle and rising disposable income. With carbonated drinks being perceived as unhealthy, companies manufacturing these have added the juices segment in their portfolio, which is a strong growth trigger for us.

Fruit based ingredients are exported to many countries including the US, Russia and the Middle East, indicating the high potential for industry in India. We have already accessed some of these export markets through our existing relationships with certain global companies. Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

Further, there is considerable demand for tomato paste and puree due to extensive consumption in the Indian food service industry. Additionally, fruit based ingredients are exported to many countries including the United States, Russia and the Middle East, indicating the high potential for industry in India. Our presence in these product categories offer us significant growth potential to tap.

Strong consumer fundamentals and favourable demographics overseas and in India provide us with the opportunity to increase our market penetration. We intend to leverage our large scale procurement network to increase our production, and to build on our existing expertise and relationships to expand our presence in domestic and international markets and capture growth opportunities in the industry.

Improve our procurement volumes and strategy

The production volumes of our products are dependent upon the amounts and quality of fruits and vegetables that we are able to procure. We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra.

We intend to further grow our raw material procurement network by increasing the number of farmers, aggregators and collection centres that we have access to. To support our increased production and varied product portfolio, we also intend to expand and leverage our existing procurement network to help us procure the increased and more varied raw materials that would be required for our diversified product portfolio.

Our procurement strategy is also designed to improve the quality of, and our control over, our raw materials, supplemented through various methods including technical training given to farmers on modern farming practices.

Continue enhancing operational efficiencies

We intend to continue enhancing our operational efficiencies, to increase economies of scale, better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position.

We would focus on improving capacity utilization at our production facilities, including outside of the peak season, through increase in our overall production volumes as well as diversification of our product portfolio as mentioned above, to include a larger share of non-mango fruit and vegetables products and IQF products. We have invested in multi-functional equipment at each of our facilities, which allows scalability of our business, as we may be able to test and commence processing different fruits and vegetables and product variants, without incurring significant incremental costs for each such new product or product variant launch. We intend to continue investing in automation and modern equipment, to improve our product quality and volumes, enhance our range of product specifications and internal controls, and address changing customer preferences, emerging trends and best practices in our industry. We also intend to continue to focus on our R&D activities, to introduce new products and product variants and otherwise to manage and grow our product portfolio.

In addition, we are in the process of installing an ERP system, to reduce manual intervention and maintain greater control over our operations.

Description of our Business

Our Products

We are primarily engaged in the business of production and sale of a diverse range of processed fruits and vegetable products to domestic and export markets. Our customers use our products to manufacture several end-use products, such as juices and other fruit and vegetable based beverages; packaged foods such as sauces, ketchups, condiments, jams and preserves; dairy products such as flavoured yoghurts and milk based beverages; ice creams and frozen desserts, baked products; and infant nutrition products/baby foods.

In fiscal 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products (including other processed fruits and vegetables like guava, gherkins, banana and papaya) aggregated to ₹ 2,959.49 million, ₹ 304.49 million and ₹ 477.17 million and ₹ 561.77 million accounting for 68.78%, 7.08% and 11.09% and 13.06% respectively, of our revenue from product sales. In the six months ended September 30, 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products aggregated to ₹ 1,548.86 million, ₹ 102.89 million, ₹ 293.52 million and ₹ 329.04 million, accounting 68.10%, 4.52%, 12.91% and 14.47% respectively, of our revenue from product sales, in this period.

Our Product Range with End-Use

Our product range currently includes the following:

Category		End-Use
Mango pulp and concentrate		Juices, fruit beverages, flavoured yoghurt, flavoured milk drinks, ice creams, jams and preserves, fruit snacks, breakfast cereals, baby food, baked goods
Mango may include Totapuri, Alphonso, Rasputri, Neelam, Kesar and Dussehri		
Tomato paste and puree		Baby food, sauces, condiments, ready meals, soups
IQF fruits and vegetables and others		
Fruits may include:	Vegetables may include:	Flavoured yoghurts, ice creams, jams and preserves, fruit snacks, baby foods, baked goods, sauces and condiments
Mango	Beetroot	
Banana	Gherkins	
Coconut	Green peas	
Guava	Okra	
Muskmelon	Indian ethnic vegetables viz., green chillies and drumsticks	
Papaya		
Pineapple		
Pomegranate		
Red grape		
Strawberry		
Watermelon		

Our Production Facilities

As of the date of this Draft Red Herring Prospectus, we operate three production plants in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu and Nashik, Maharashtra, located in areas with high fruit and vegetable cultivation as well as major export zones in India. We also have a dehydration unit set up at our production facility at Sathyavedu, Andhra Pradesh, which we use to produce ready-to-eat (“RTE”) products.

In addition to our production facilities, we also use two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh, to cater to increased demand during peak seasons, under arrangements with third party manufacturers.

The details of our production facilities are as follows:

Description	Capacity (MT/ Hour)		
	2017	2016	2015
<u>Sathyavedu unit</u>			
Canning – Retort	Nil	Nil	Nil
Steriliser – single strength	20 MT	20 MT	20 MT
Evaporator – Concentrate	8 MT	8 MT	8 MT
IQF Tunnel	4 MT	4 MT	4 MT
<u>Krishnagiri Unit</u>			
Canning – Retort	5 MT	5 MT	5 MT
Steriliser – single strength	20 MT	20 MT	20 MT
Evaporator – Concentrate	8 MT	8 MT	8 MT
IQF Tunnel	Nil	Nil	Nil
<u>Nashik Unit</u>			
Canning – Retort	3 MT	3 MT	3 MT
Steriliser – single strength	10 MT	5 MT	5 MT
Evaporator – Concentrate	5 MT	5 MT	5 MT
IQF Tunnel	1.5 MT	Nil	Nil

Our capacity utilization over the preceding three years is as provided below:

	fiscal 2015	fiscal 2016	fiscal 2017
Installed Capacity	Tons/Hour	Tons/Hour	Tons/Hour
Mango pulp	70.00	70.00	75.00
Tomato Paste and Puree	8.20	8.20	8.20
IQF Fruits and Vegetables	4.00	4.00	5.50
Peak capacity utilization (%)			
Mango pulp	44.62%	28.60%	41.17%
Tomato Paste and Puree	23.96%	38.77%	46.48%
IQF Fruits and Vegetables	14.14%	15.43%	24.64%

Assumptions:

1. For the purpose of computing the capacity utilization on a single strength basis, the production of mango concentrates which is disclosed in the Restated Financial Information is converted into equivalent units of Mango Pulp (i.e. two units of mango pulp is equivalent to one unit of mango concentrate).
2. For the purpose of computing the consolidated installed capacity of Tomato paste and Puree production, the evaporator situated at Krishnagiri 8MT capacity at an evaporation rate of 8M³ is converted in to equivalent units of 20M³ in order to match with the evaporator situated at Nashik.
3. Mango season - average 61 production days in a year.
4. Tomato season - average 114 production days in a year.
5. IQF – average 300 production days in a year.
6. Number of working hours in a day is assumed to be 20 for all the products during the production days.

The location wise storage area and capacity details of our production facilities are as follows:

	Sathyavedu		Krishnagiri		Nashik	
Warehousing and Cold Storage	Area (sq. ft.)	Capacity (Tons)	Area (sq. ft.)	Capacity (Tons)	Area (sq. ft.)	Capacity (Tons)
Ambient	33,969	6,750	64,560	12,000	37,961	7,500
Chilled (temperature ranging from 4 degree Celsius	61,106	11,234	48,968	10,315	15,817	3,000

	Sathyavedu		Krishnagiri		Nashik	
<i>to 10 degree Celsius)</i>						
<i>Frozen (temperature ranging from -18 degree Celsius to -20 degree Celsius)</i>	11,513	2,000	Nil	Nil	15,817	1,200

We undertake all of our export activities from Maharashtra and Tamil Nadu, where international ports are located.

We enter into contracts with third party co-processors for the manufacture of our products. In terms of these contracts, our third party co-processors are responsible for purchase and storage of raw materials and shall adhere to certain pre-decided specifications, such as minimum production yield and quality control during the production of our products.

Raw Material

In fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, our cost of raw materials consumed was ₹ 1664.76 million, ₹ 1861.01 million, ₹ 2,408.03 million and ₹ 1,239.91 million, or 42.85 %, 42.97 %, 52.26 % and 52.56 % of our total revenue, respectively.

The key ingredients and raw materials required for the production of our products include mango and tomato.

Raw Material Procurement

We have a dedicated procurement team, who are responsible for sourcing raw material required for our production.

Our raw material procurement model involves direct purchase of our fruit and vegetable requirements from farmers, as well as purchase from aggregators, collection centres and mandis. We have not entered into any formal or long-term supply contracts with such farmers, aggregators or collection centres.

We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis, which enable us to access farmers with whom we do not have direct purchasing arrangements. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra.

Our longstanding linkages to farmers, aggregators and collection centres allow us to unlock economies of scale, including in terms of stable supply and pricing power.

We procure most of our fruit and vegetable raw materials from Chittoor, Nellore and Cuddapah in Andhra Pradesh; Vellore, Krishnagiri, Dindigul and Dharmapuri in Tamil Nadu; Nashik, Dhule and Ratnagiri in Maharashtra and Kolar, Dharwad in Karnataka, which are all located in proximity to our production facilities in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu and Nashik, Maharashtra.

Sustainable Sourcing

To lead this initiative, we have a team of two senior agronomists, who are responsible for various sustainable sourcing initiatives.

Some of the sustainability indicators we evaluate in this relation are as follows:

- soil fertility;
- pest management;
- energy conservation;
- water conservation, including the use and promotion of irrigation;
- animal welfare.
- biodiversity.
- social / human capital; and

- local economy.

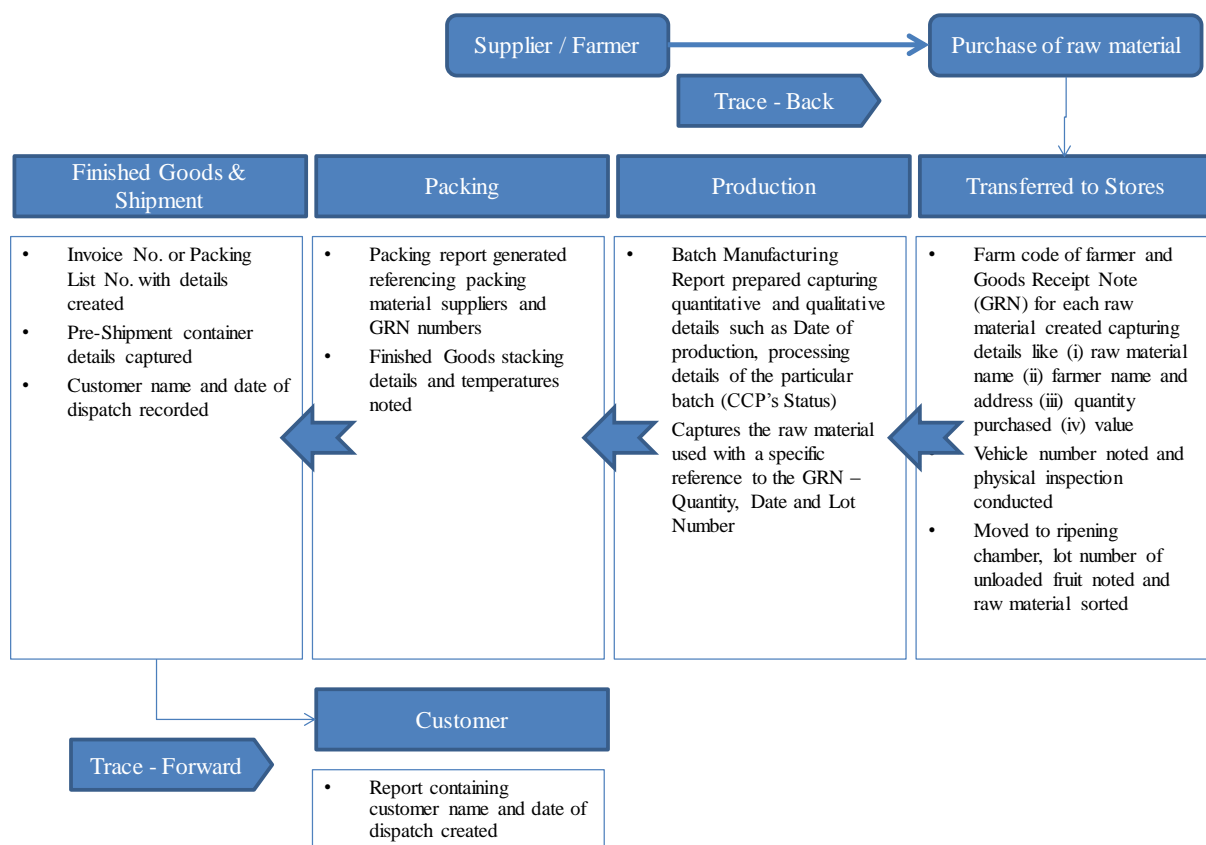
Our sustainable sourcing is also certified by some of our customers, for example, we are sustainability certified by a multinational customer, for certain products we supply to it.

Good Agricultural Practices

We also work to promote and create awareness about Good Agricultural Practices (“**GAP**”), which is a global standard for safe and sustainable food production, with the farmers we procure fruits and vegetables from.

Raw Material Traceability

We have adopted measures to ensure traceability for our fruit and vegetable raw material purchases, in line with global best practices in the fruit and vegetable processing industry. Below is a step by step description of our raw material traceability:

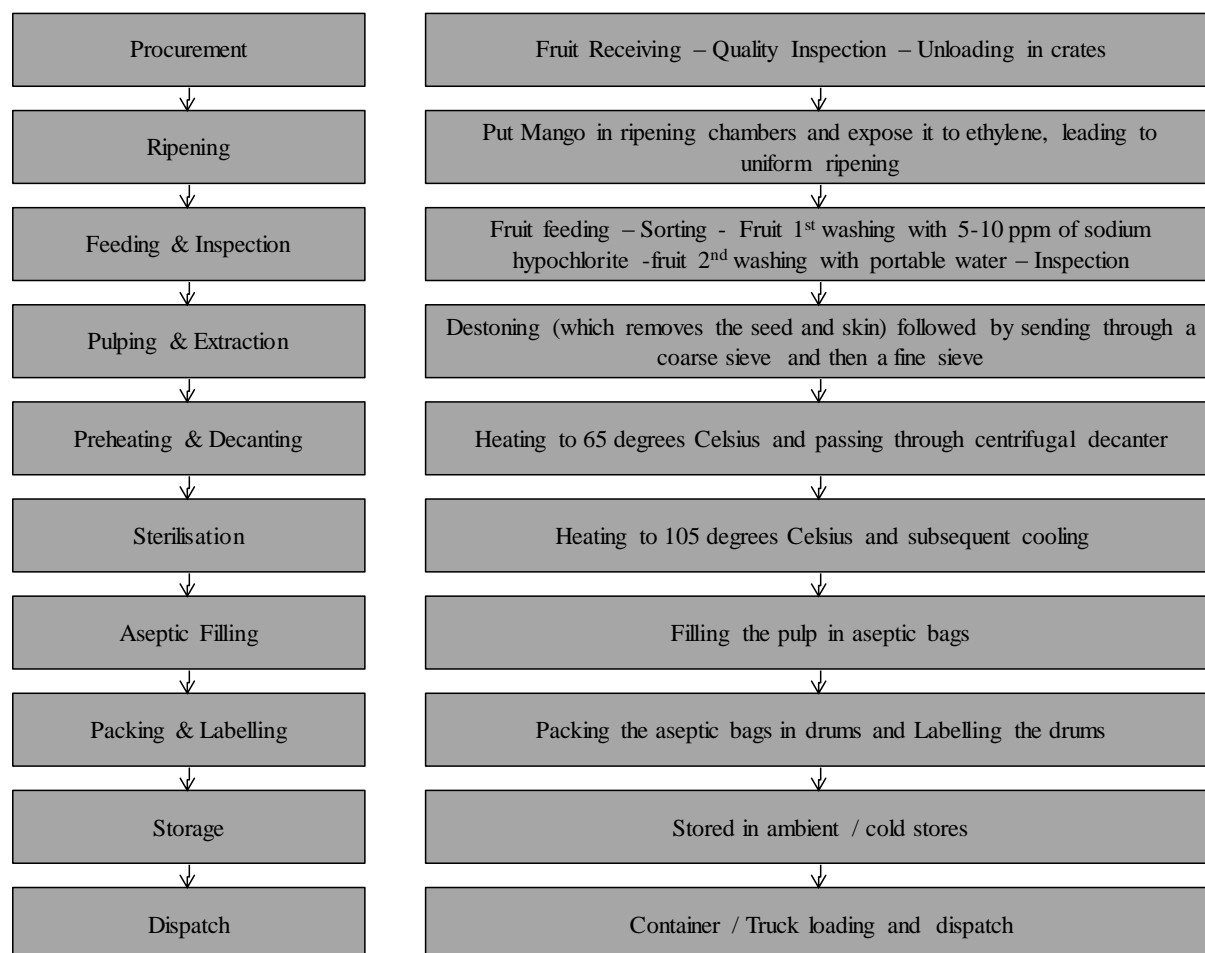


For our pulps and concentrates, our fruit and vegetable raw materials can typically be traced to the level of aggregators, distributors and collection centres.

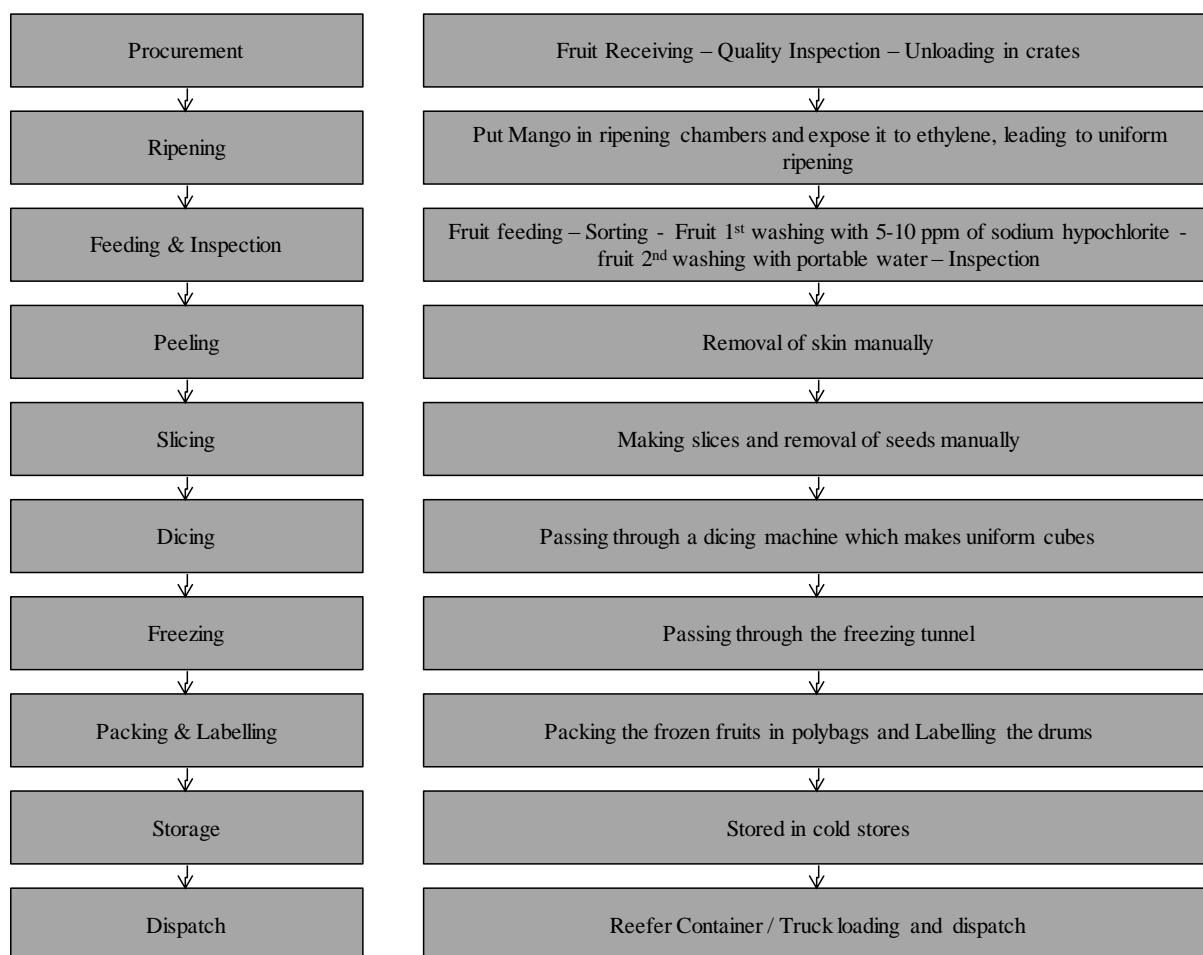
Our Production Process

Production Process Flow for Mango-based products

Mango Pulp Process Chart

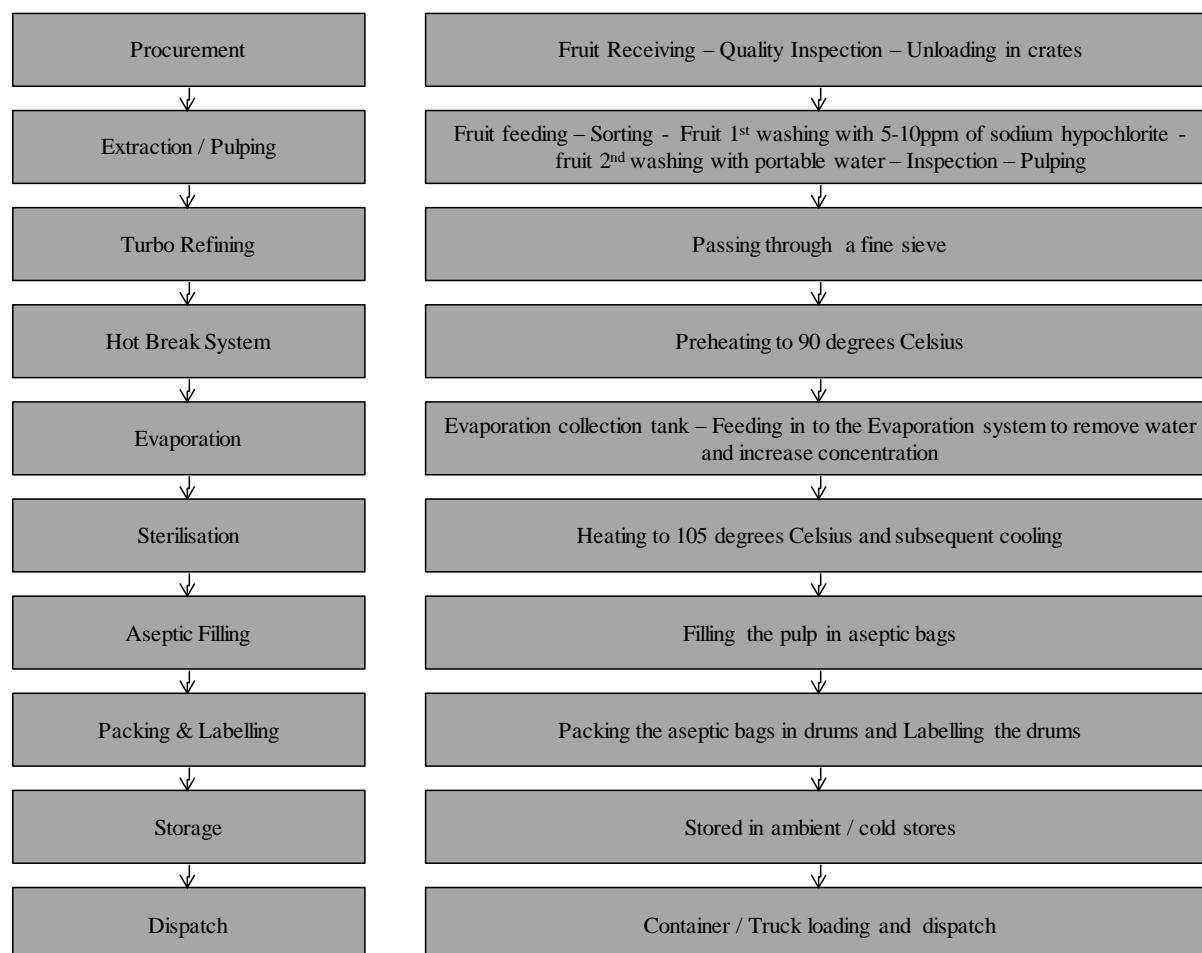


Mango IQF Process Chart



Production Process Flow for Tomato Paste and Puree

Tomato Paste Process Chart



Packaging Formats and Materials

Our packaging formats currently include aseptic formats including 200 litre bag-in-drum, 20 kg bag-in-box and 1 tonne bag-in-bin. Packaging formats for our frozen products include bulk frozen packaging for our purees, concentrates, vegetables, fruits and our IQF products. We also sell our products in plastic drums, pouches and cans of various weights.

The principal storage and packaging materials used by us are laminated bags, steel cans, steel drums, steel bins, polyethylene pouches and corrugated boxes. We typically order the storage and packaging materials required by us on negotiated terms or on spot basis, in advance of our production and delivery requirements.

In fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, the cost of procuring storage and packaging materials constituted 25.97%, 15.97%, 16.11% and 17.75%, respectively, of our total cost materials consumed, in those periods.

Other Business Interests

We had commenced sale of RTE dehydrated and heat-and-serve meals under the brand ‘Tiffin-To-Go’ in fiscal 2015. We have recently entered into an intellectual property assignment agreement dated January 16, 2018, pursuant to which we transferred certain intangible assets (namely brand name and goodwill) of the RTE business to Shuchi Beverages Limited (“SBL”), our Group Company, with effect from April 1, 2018. We have also entered into a contract manufacturing and packaging agreement dated January 16, 2018 with SBL for the manufacture of RTE products, with effect from April 1, 2018. For further details, see “*Management’s Discussion And Analysis*

Of Financial Condition And Results Of Operations – Significant Developments after September 30, 2017” on page 289.

Our Company has entered into a share subscription agreement dated July 29, 2013 (the “**Bihar Mega Food Park SSA**”) with various third parties, for jointly setting up a mega food park at Mansi, Khagaria, Bihar, under the Mega Food Parks Scheme (the “**MFPS**”) launched by the Ministry of Food Processing Industries (the “**MOFPI**”), Government of India.

The Bihar Mega Food Park SSA permits our Company, together with its associates, to hold up to 25% of the equity share capital of the project company, namely, Pristine Mega Food Park Private Limited (“**PMFPPL**”) and, subject to holding at least 25% of the equity share capital of PMFPPL, allows our Company to nominate one director to the board of directors of PMFPPL.

Our Company currently holds 0.22% in the equity share capital of PMFPPL, which is below the specified shareholding threshold and, thus, does not have control over, or a nominee on the board of directors of, PMFPPL.

For more information, see “*History and Certain Corporate Matters*” and “*Financial Statements*” on pages 171 and 198, respectively.

Utilities – Power and Water

Our operations involve a significant amount of electricity as our raw materials and products are required to be stored in temperature controlled environments, including refrigerated or cold storage facilities.

We depend on State electricity supply for our power requirements and the electricity supply at our facilities is equipped with express feeder connections to ensure uninterrupted supply of power.

We also use diesel generators to meet exigencies and to operate our facilities during power failures. In addition, we rely on captive solar power generation at our production facility in Sathyavedu, Andhra Pradesh to supplement our supply of power from the national and State power grids.

In addition, availability of water is important in our production processes. We depend on state utilities and local water bodies for the supply of water to our production facilities, as well as relying on private water tankers, from time to time, particularly in the event of shortage of local water supply. To ensure adequate supply of water, tube wells have also been installed within our production facilities for supply of water in addition to our routine sources of water, and we have established an ultraviolet system to treat impurities in the water by removing bacteria, harmful minerals and other impurities.

Our Customers

We are primarily engaged in the business of production and sale of a diverse range of processed fruits and vegetable products to domestic and export markets. Our customers use our products to manufacture several end-use products, such as juices and other fruit and vegetable based beverages; packaged foods such as sauces, ketchups, condiments, jams and preserves; dairy products such as flavoured yoghurts and milk based beverages; ice creams and frozen desserts, baked products; and infant nutrition products/baby foods.

Our domestic revenues accounted for 45.05% and 50.46% of our total revenue in fiscal 2017 and the six months ended September 30, 2017, respectively, while our export revenues accounted for 54.95% and 49.54% of our revenue from product sales in fiscal 2017 and the six months ended September 30, 2017, respectively.

We supply fruits and vegetables based ingredients to over 300 customers including branded fruit based beverages companies, processed food producers, companies selling ice cream and bakery items, frozen foods, companies selling frozen fruits and vegetables. Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop’s Fruits NV, for approximately 15 years and nine years respectively. Our other major global customers include Ardo UK Limited and Agrana Fruit Services GmbH.

Our major domestic customers include multinational companies such as Coca-Cola India Private Limited, which has been our customer for approximately 12 years, and Varun Beverages Limited, one of the largest franchisees in the world (outside the US) of carbonated and non-carbonated beverages sold under the trademark owned by PepsiCo, which has been our customer for approximately 10 years. We also supply to Manpasand Beverages

Limited, Cremica Food Industries Limited, FieldFresh Foods Private Limited, Hector Beverages Private Limited and certain multinational customers.

Quality Control

Certain of our customers require us to have one or more internationally required certifications and accreditations, and having such certifications and accreditations allow us to further explore opportunities for increasing our customer base and our share of each customer's wallet, subject to periodic inspections and reporting requirements.

We have obtained several quality control certifications and accreditations for our facilities, including the following:

	Sathyavedu	Krishnagiri	Nashik
Certifications & Registrations from Organisations	<ul style="list-style-type: none"> British Retail Consortium ("BRC") Global Standard for Food Safety Certification Certificate of Export to all countries including in the European Union ("EU") under the EIC's Certification Scheme of Fruit Products ("CSFP") for aseptically packed mango, guava and papaya pulp / concentrate, tomato puree / concentrate and IQF fruit products Ecocert (Organic certification) Food Safety and Standards Authority of India ("FSSAI") license Foundation of Food Safety Certification ("FFSC") 22000 certificate Global GAP Halal Sedex Members Ethical Trade Audit ("SMETA") 4 Pillar Certification Star K Kosher US Food and Drug Administration ("FDA") registration Voluntary Control System-SGF international 	<ul style="list-style-type: none"> Certificate of Export to all countries including in the EU under the EIC's CSFP for aseptically packed mango, guava and papaya pulp / concentrate, tomato puree / concentrate and IQF fruit products FSSAI license FSSC 22000 certificate Global GAP Sedex SMETA 4 Pillar Certification Star K Kosher 	<ul style="list-style-type: none"> BRC Global Standard for Food Safety Certification Certificate of Export to all countries including in the EU under the EIC's CSFP for aseptically packed mango, guava and papaya pulp / concentrate, tomato puree / concentrate and IQF fruit products Ecocert (Organic certification) Global GAP FSSAI license FSSC 22000 certificate Halal Sedex SMETA 4 Pillar Certification Star K Kosher
Certifications & registrations from customers	<ul style="list-style-type: none"> Responsible Sourcing Audit – Intertek certification from a multinational customer Supply Guiding Principles from a multinational customer Sustainable Agri Certification (for guava and papaya) from a multinational customer 	<ul style="list-style-type: none"> Responsible Sourcing Audit – Intertek certification from a multinational customer Supply Guiding Principles from a multinational customer Sustainable Agri Certification (for mango and tomato) from a multinational customer 	<ul style="list-style-type: none"> Responsible Sourcing Audit – Intertek certification from a multinational customer Supply Guiding Principles from a multinational customer Sustainable Agri Certification (for tomato, guava, papaya and banana) from a multinational customer

In addition, we have been accorded two-star export house status in 2016 from the Government of India, Directorate General of Foreign Trade, and Registration with the Agricultural and Processed Food Products Export Development Authority ("APEDA") in 2015.

Our quality control system is divided into several stages, including control during procurement and storage of raw materials, control over the production process, and control over storage and delivery of our products, as described below:

Control during procurement and storage of raw materials

We conduct inspection of raw materials upon delivery, to ensure maintenance of our quality standards.

Control over production process

We implement stringent safety and quality standards at each stage of our production process. The infrastructure and facilities in our production facilities are designed, constructed, maintained and inspected in accordance with applicable food safety standards, laws and regulations. We also enforce strict hygiene standards for our personnel involved in production activities. For instance, we have largely mechanized the process of cutting fruits and vegetables, to pre-empt the risk of contamination that may have resulted from hand-cutting.

Control over packaging and delivery of finished products

We perform batch-wise quality inspection on our products to ensure compliance with national food safety standards, and applicable regulations. We implement quality standards for packaging, loading and delivering of the product to ensure maintenance of the quality and safety of our products.

Marketing

We have a dedicated sales and marketing team. Given the nature of our business, our marketing and promotional efforts typically include advertising through our corporate website, www.capricorngroup.com, and personal outreach, including by our Promoter, Rahoul Jain, as well as other members of our senior management. In addition, we attend and participate in various domestic and international conferences, exhibitions, fairs, shows, and other industry events, particularly in connection with exploring new strategic initiatives and expansion of our customer base and markets.

We also work closely with our institutional customers, to obtain market knowledge, customer insights, and feedback on our product range, product pricing, product delivery and overall customer satisfaction, as well as to encourage engagement, retention and recall.

Distribution

Our mango pulp and concentrate, tomato paste and puree, IQF fruits and vegetables and other products are primarily sold by us directly. During 2017, we had over five customers to which we made direct institutional sales and catered to over 40 countries across Europe, Middle East, Asia Pacific, Africa and North America.

Inventory Management

The typical shelf life of our products is 18-24 months.

Transportation

Our domestic customers generally arrange transportation of products from our facilities.

Transportation of certain of our finished products by road up to the shipping ports for export requires insulated and refrigerated vehicles, to prevent spoilage and maintain quality. We typically engage third party transportation service providers for the transportation of our raw materials and products. We undertake all of our export activities from Maharashtra and Tamil Nadu, where international ports are located.

Information Technology

We are in the process of installing an ERP system, to reduce manual intervention and maintain greater control over our operations. The ERP system will help monitor the daily operation of our business, schedule procurement as well as production, manage our delivery schedules, invoice our customers and follow up on receivables, compile, and maintain up-to-date operating and financial data for the compilation of management accounts.

Competition

The global fruit-based ingredients industry is highly fragmented, with numerous international and local companies competing for market share. The market is extremely fragmented with the top five players accounting for only 9% of the global market. Medium and small players hold almost 90.5% of the global market share. Typically, it is local players who control a major share of that region. As a result, many international fruit-based ingredient manufacturers are expanding their processing facilities across various locations in emerging economies such as India, China and Brazil, to gain a worldwide consumer base.

India being one of the largest mango producing countries, many major players happen to be from here. Mexican players export large quantities to the USA. There are numerous manufacturers globally, many also forward integrated; therefore, a clear cut segregation of market share is difficult at a global level. At multinational level, there is ~30% held by large scale players, 45-50% are regional level players and the rest is catered to by local players. We are among the top exporters from India, with a share of approximately 5% at a global level. In India, mango processing still has more than 50% of manufacturers under the tiny and small scale industry (“SSI”) sector. Large scale production is limited to players like Jain Farm Fresh and us. Jain Farm Fresh contributes to around 17% of the total Indian mango pulp production, followed by us, with 13% production share in 2016. We are the second largest mango pulp manufacturer and supplier in India. The mango pulp export industry is highly fragmented and has many small companies contributing to the total volume. We are the largest exporter with approximately 13% share of exports, followed closely by 12%, 6% and 5% for Exotic Fruits, Jain Farm Fresh and Foods & Inns, respectively, of the total exports out of India.

The tomato paste and puree industry is also fragmented, with many small volume processors. We are one of the largest suppliers of tomato paste in the Indian merchant market and hold number one position with a market share of 9%.

The Indian IQF fruits segment is considerably consolidated compared to the vegetable segment. The small-scale players account for more than 40% of the total supply. We are the largest producer of IQF fruits in India, with 22% of the production and the largest significant exporter with 22% of the total exports.

(Source: Frost & Sullivan Report)

Some of our competitors may have substantially greater financial and other resources than us, may pursue aggressive pricing strategies or offer incentives to customers or vendors, or may otherwise be better equipped to evaluate and respond to evolving customer preferences and market trends.

For more information, see “**Risk Factors – We face competition in our business, including from customers that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our business, financial condition, results of operations and prospects.**” on page 19.

Environment, Health and Safety

Our activities are subject to various environmental, occupational health and safety, food health and safety, and other laws and regulations which govern, among other matters, emissions and discharges from our production facilities, the handling, storage and disposal of wastes, and employee health and employee safety.

For further information, see “**Key Regulations and Policies in India**” on page 167.

We have obtained, or have applied for and are in the process of obtaining or renewing, all material regulatory consents, licenses and registrations that are necessary for us to carry on our business.

For further information, see “**Government and Other Approvals**” and “**Risk Factors - Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects**” on pages 319 and 19, respectively.

Insurance

We seek to obtain insurance commensurate to the nature and scale of our operations, from reputed insurers. For our operations, we have obtained fire insurance and burglary insurance for our production facilities, warehouses and cold storage facilities. Further, we maintain money and burglary insurance, commercial vehicle insurance and employees' compensation insurance.

We also maintain group personal accidental policy and group medi-claim insurance policies for our employees from various reputed insurance companies.

Also see, “*Risk Factors – Our insurance coverage may not be adequate to protect us against all material risks. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against a possible risk of loss*” on page 40.

Human Resources

As of December 31, 2017, we had 362 full time employees

The following table sets forth the number of persons employed in various roles in our Company as of December 31, 2017:

Department	Number of employees
Operations	167
Procurement	28
Quality assurance	31
Sales and marketing	13
Inventory and logistics	50
Information technology	2
HR and administration	34
Accounts and finance	36
Legal and secretarial	1
Total	362

Our employees are currently not unionised at any of our facilities, and we consider our relations with our employees to be generally good. However, in the past, we had entered into a memorandum of settlement in March 2015, with the Capricorn Food Products Staff & Workers Union (affiliated to Telegu Nadu Trade Union Council), to resolve certain disputes with our workers at our facilities in Sathyavedu, Andhra Pradesh, since which time we have not faced any strikes at any of our facilities.

Employee compensation is based on performance. In addition to fixed salaries, our employees above a certain level are entitled to performance-linked variable pay and/or performance-linked annual increment, to encourage productivity.

In addition to recruiting talented individuals and facilitating their integration into our organization, we place significant emphasis on training our personnel and increasing their skill levels, and fostering ongoing employee engagement in our Company. We organize in-house training for our employees at all levels and across functions.

We have also adopted several policies including an anti-corruption policy and an anti-sexual harassment policy.

Intellectual Property

We have registered the domain name for our website, www.capricorngroup.com.

We own trademarks in India, under various classes, relating to our corporate names, ‘Capricorn’ and have applied for a trademark for ‘Fresco’. We have, under an intellectual property assignment agreement dated January 16, 2018, transferred the “Tiffin-to-Go” brand to SBL, our Group Company.

The details of certain trademarks registered in our names, under the Trade Marks Act, are as provided below:

S. No.	Description	Class	Registration no.	Date of Application	Date of Expiry
1.	CAPRICORN	29	1115836	September 4, 2013	December 2, 2019

S. No.	Description	Class	Registration no.	Date of Application	Date of Expiry
2.	CAPRICORN	32	1427199	December 28, 2016	October 18, 2023

In addition, the details of the trademarks we have applied for, under the Trade Marks Act, are as provided below:

S. No.	Description	Class	Registration No.	Date of Application
1.	CAPRICORN	30	2614312	October 18, 2013
2.	CAPRICORN	31	2614311	October 18, 2013
3.	FRESCO	30	2616034	October 22, 2013
4.	FRESCO	32	2616035	October 22, 2013
5.	FRUSH	32	2731228	May 5, 2014
6.	FRESCO	30	2926179	March 20, 2015
7.	FRESCO	32	2926180	March 20, 2015
8.	CAPRICORN	32	2614313	October 18, 2013

Given the nature of our business, we do not currently hold any registered patents or copyrights.

Property

Our Registered and Corporate Office is currently situated at Plot. No. 3148, Old No. AH-216, New No. AH-11, 2nd Street, Shanthi Colony, Anna Nagar, Chennai 600 040, Tamil Nadu.

These premises are currently leased to our Company by our Promoter and CMD, Rahoul Jain, pursuant to a rental agreement dated November 17, 2017, for a term of 11 months commencing from November 1, 2017, renewable at the parties' option, for further terms of 11 months each. Our Company, as the lessee, is responsible for the fittings, fixtures, maintenance and upkeep of the premises, and is also permitted to sub-let or sub-lease these premises to any other party during the term of the rental agreement, with intimation to the lessor. The rental agreement may be terminated by either party only by providing three months' notice to the other party, provided that such option may only be exercised after the expiry of six months commencing from the date of this rental agreement. Moreover, in the event of any breach by either party, including a failure by our Company to pay the agreed monthly rent for a consecutive period of two months, the parties shall have a period of 30 days to rectify the default, failing which, this rental agreement may be terminated.

The property details of our current production facilities are as below:

Location	Address	Nature of Ownership / Title
Sathyavedu	Chittoor District, Tirupati Sri Balaji Registration District, Sathyavedu Sub-Registration District, Sathyavedu Mandal, Chinna Ettipakkam Gram Panchayat Limit, Chinna Ettipakkam Village, Andhra Pradesh	<ul style="list-style-type: none"> 3.02 acres of land, leased to our Company by Rahoul Jain under a rental agreement dated November 18, 2017, for a period of 11 months commencing October 1, 2017. 14.68 acres of land, leased to our Company by Rahoul Jain and Ms. Shuchi Jain, under a rental agreement dated November 18, 2017, for a period of 11 months commencing October 1, 2017. 4 acres of land owned by our Company
Krishnagiri	Bannihalli village, Krishnagiri district, Kaveripattinam SRO, Tamil Nadu	44.85 acres of land, owned by our Company.
Nashik	Jaitapur village, Taluka Chandawad, District Nashik, Maharashtra	15.18 acres of land, owned by our Company.

Awards and Recognitions

Among other awards and recognitions, we have recently been awarded the SME2 Business Excellence Award from Dun and Bradstreet in 2015.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of key regulations and policies which are applicable to our Company and Subsidiaries. The information detailed in this chapter has been obtained from various statutes, regulations and/or local legislations and the bye laws of relevant authorities that are available in the public domain. The description may not be exhaustive, and is only intended as a substitute to provide general information to investors, and is neither designed, nor intended as a substitute for professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. For further details please see, “Government and Other Approvals”, on page 319.

The Food Safety and Standards Act, 2006 (the “FSSA”)

The FSSA was enacted on August 23, 2006 repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators.

The enforcement of the FSSA is generally facilitated by ‘state commissioners of food safety’ and other officials at a local level. Under Section 51 of the FSSA, any person who manufactures sub-standard food for human consumption is liable to pay a penalty which may extend up to ₹ 500,000. Food business operators are required to ensure that persons in their employment do not suffer from infectious or contagious diseases. The FSSA also imposes liabilities upon manufacturers, packers, wholesalers, distributors and sellers requiring them to ensure that, inter alia, unsafe and misbranded products are not sold or supplied in the market. Furthermore, in order to address certain specific aspects of the FSSA, the FSSAI has framed several regulations including the Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011. The FSSAI has also framed the Food Safety and Standards Rules, 2011 (“FSSR”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal.

Legal Metrology Act, 2009 (the “Legal Metrology Act”)

The Legal Metrology Act came into effect on January 14, 2010 and has repealed and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act provides that for prescribed specifications for all weights and measures used by an entity to be based on metric system only. Such weights and measures are required to be verified and re-verified periodically before usage. Under the provisions of the Legal Metrology Act, pre-packaged commodities are required to bear statutory declarations and entities are required to obtain a registration of the instruments used before import of any weight or measure. Approval of model is required before manufacture or import of any weight or measure. Without a license under the Legal Metrology Act, weights or measures may not be manufactured, sold or repaired.

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

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

The Agricultural and Processed Foods Products Export Development Authority Act, 1985 (the “APEDA Act”)

The APEDA Act provides for establishment of Agricultural and Processed Food Products Export Development Authority for the development and promotion of export of certain agriculture and processed food products. Persons exporting scheduled products are required to be registered under the APEDA Act and are required to adhere to specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by exporters of agricultural produce.

Bureau of Indian Standards Act, 1986 (“Bureau of Indian Standards Act”)

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

Laws related to Employment

As part of its business, our Company is required to comply with certain laws in relation to the employment of labour. The following is an indicative list of labour laws applicable to our operations:

- Apprentices Act, 1961;
- Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- Child Labour (Prohibition and Regulation) Act, 1986;
- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees’ Compensation Act, 1923;
- Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees’ State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing orders) Act 1946;

- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936; and
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Laws Relating to Taxation

The tax related laws that are applicable to us include the Value Added Tax as enacted by the states, the Income Tax Act, the Customs Act, 1962 and various rules and notifications issued by taxation authorities. With effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company.

Intellectual Property

Intellectual property rights refers to the general term for the assignment of property rights through patents, copyrights and trademarks. These property rights allow the holder to exercise a monopoly on the use of the item for a specified period.

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the registration of trademarks in India, pursuant to which the registered owner of a trademark is granted exclusive rights to registered marks, including brands, labels and headings, and to obtain relief in case of infringement for commercial purposes. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringing, falsifying and falsely applying trademarks.

Environmental Laws

The major statutes in India which seek to regulate, and protect the environment from, pollution related activities in India include the Environment Protection Act, 1986, Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2016, Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981. A brief description of these statutes are as follows:

*The Environment Protection Act, 1986 (the “**Environment Act**”)*

The Environment Act has been enacted for the protection and improvement of the environment. The Environment Act empowers the GoI to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. The GoI may make rules for regulating environmental pollution.

*Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “**Hazardous Waste Rules**”)*

The Hazardous Waste Rules are to be read with the Environment Act. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Furthermore, in terms of the Hazardous Waste Rules, the occupier has been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment and shall require license/authorisation for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the State Pollution Control Board.

Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981

The basic purpose of these statutes is to control, abate and prevent pollution. 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 industries are functioning in compliance with the standards prescribed. These authorities also have the power to carry out search, seizure and investigation if the authorities are aware of or suspect pollution that is not in accordance with such regulations. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed annually.

Foreign Investment Regulations

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“**FEMA**”) along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy (“**FDI Policy**”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time. Under the current FDI Policy (effective from August 28, 2017), foreign direct investment in companies engaged in the manufacturing sector is permitted up to 100% of the paid up share capital of such company under the automatic route, i.e. without requiring prior government approval, subject to compliance with certain prescribed pricing guidelines and reporting requirements.

Other Regulations

In addition to the above, our Company is also required to, among other thing, comply with the provisions of the Factories Act, 1948, the Shops and Establishments Legislations of the relevant State, Indian Boilers Act, 1923 and the Electricity Act, 2003.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as “Capricorn Food Products India Limited” on October 8, 1998, as a public limited company under the Companies Act, 1956, with a certificate of incorporation granted by the RoC, Tamil Nadu at Chennai. Our Company commenced business on August 16, 1999.

Business and management

For a description of our activities, products, technology, market segments, the growth of our Company, foreign operations, the standing of our Company’s products and services with reference to competitors, management, major suppliers and customers, environmental issues and geographical segments etc., see **“Our Business”**, **“Industry Overview”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations”** on page 147, 113 and 267, respectively. For details of the management of our Company and its managerial competence, see **“Management”** on page 176.

Changes in registered office

Date of change	Details of change in the address of our registered office	Reason for change
March 5, 2012	Our registered office changed from “AH-15, 5 th Street, Shanthi Colony, Annanagar, Chennai 600 040, Tamil Nadu” to “Old No. AH-216, New No. AH-11, 2 nd Street, Shanthi Colony, Anna Nagar, Chennai 600 040, Tamil Nadu”.	For administrative convenience.
October 9, 2009	Our registered office changed from “81, New Avadi Road, Kilpauk, Chennai 600 010, Tamil Nadu” to “AH-15, 5 th Street, Shanthi Colony, Annanagar, Chennai 600 040, Tamil Nadu”.	
March 22, 2006	Our registered office changed from “1312, 13 th Main Road Anna Nagar, Chennai, Tamil Nadu” to “81, New Avadi Road, Kilpauk, Chennai 600 010, Tamil Nadu”.	

Main Objects of our Company

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

1. To carry on the business of Manufacturing all types of Food Products, Fruit Pulp Jam, Jelly and Confectionary products.
2. To farming and managing estates at various places in and around India and maintain, cultivate various fruit trees, Agricultural Products that are mainly required for the manufactures of Food Products, Fruit Pulp, Jam, Jelly and Confectionary Products.
3. To carry on the business of canning and food preservation, including packing, tinning and bottling of foodstuffs, meat, meat products, potted meals, fruits, vegetables, jams, pickles, sausages, table delicacies, oats, cornflakes, porridges, juices, extracts, concentrations and preserved provisions of all kinds and to establish, own operate, acquire, run and manage canning, food preservation and other factories for the purpose of packing, preserving and canning such articles and products.
4. To carry on business as manufacturers, processors, producers of and dealers in dairy, farm and garden produce of all kind including milk, cream, butter, ghee, cheese, condensed milk, milk powder, malt products, milk foods and milk products and mild preparations of all description and vegetables and fruits of all kinds of infants and others.
5. To Export and Import of all types Food products both in Raw and Processed Form.

The main objects clause as contained in the Memorandum of Association enables our Company to undertake its existing activities.

Amendments to the Memorandum of Association

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association:

Date of change/ Shareholders' resolution	Nature of amendment
March 22, 2006	The authorised share capital of our Company was increased from ₹ 20,000,000 divided into 200,000 equity shares of ₹ 100 each to ₹ 50,000,000 divided into 500,000 equity shares of ₹ 100 each
March 28, 2008	The authorised share capital of our Company was increased from ₹ 50,000,000 divided into 500,000 equity shares of ₹ 100 each to ₹ 60,000,000 divided into 600,000 equity shares of ₹ 100 each
March 31, 2010	The authorised share capital of our Company was increased from ₹ 60,000,000 divided into 600,000 equity shares of ₹ 100 each to ₹ 200,000,000 divided into 2,000,000 equity shares of ₹ 100 each
February 25, 2013	The authorised share capital of our Company was increased from ₹ 200,000,000 divided into 2,000,000 equity shares of ₹ 100 each to ₹ 300,000,000 divided into 3,000,000 equity shares of ₹ 100 each
March 31, 2015	The authorised share capital of our Company was reclassified to ₹ 300,000,000 divided into 30,000,000 equity shares of ₹ 10 each
October 23, 2017	The authorised share capital of our Company was increased from ₹ 300,000,000 divided into 30,000,000 equity shares of ₹ 10 each to ₹ 400,000,000 divided into 40,000,000 equity shares of ₹ 10 each

Total number of shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has seven shareholders. For further details on the shareholding of our Company, see “*Capital Structure - Our shareholding pattern*” on page 91.

Major events and milestones of our Company

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Details
1998	Incorporation of our Company as “Capricorn Food Products India Limited”
1999	Our Company established its first canning processing plant at Sathyavedu Unit I
2009	Our Company implemented a new triple effect evaporator of 8 MT/Hr for Mango concentrate at Sathyavedu Unit I
2010	Our Company commissioned its Krishnagiri Unit in Tamil Nadu
2014	Our Company commissioned its Nashik Unit in Maharashtra
2015	Our Company received approval for producing organic Alphonso and Kesar Mango pulp at our Nashik Unit
2016	Our Company commissioned IQF, frozen NFC and a canning unit in Nashik Our Company received approval for producing organic Totapuri Mango pulp and IQF Totapuri dices at our Sathyavedu plant

Awards and accreditations

Calendar Year	Details
2017	Recognized as a Class A Supplier by Frulact
2015	Awarded the Karur Vysya Bank- Dun and Bradstreet SME Business Excellence Award in the food processing and agro products category
2010	Awarded the Bronze Trophy Export Award for 2009-10 by APEDA in the processed fruits and vegetable sector

Changes in activities of our Company during the last five years

Except as below, there have been no changes in the activities of our Company since the last five years, which may have had a material effect on our profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

We have, in the past, also received closure notices and stop production orders from the state regulatory authorities supervising pollution control, for non-compliances with certain environmental laws and the terms and conditions of the authorisations granted. Our Company's Sathyavedu Unit – I received a stop production order dated August 4, 2017 from the APPCB for operating without a valid consent to operate and violating various pollution control norms. This order has been suspended by a temporary revocation dated December 12, 2017 and fresh consent was issued on December 21, 2017. Our Company's Krishnagiri Unit received a closure notice dated November 22, 2017 and an order dated November 22, 2017 from the TNPCB for disconnection of power supply under the provisions of the Water Act and the Air Act, which were subsequently revoked by an order dated January 11, 2018. Our subsidiary Gonglu's Nashik Unit had received a closure order dated May 19, 2017 which has been subsequently withdrawn by MPCB by an order dated June 9, 2017. For further details, see ***“Risk Factors - Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.”*** and ***“Outstanding Litigation and Other Material Developments”*** on page 19 and 311 respectively.

Capital raising (equity/ debt)

For details of our equity issuances in the past and outstanding debt have been provided in ***“Capital Structure - Share Capital History”*** and ***“Financial Indebtedness”*** on page 84 and 302, respectively.

Strike and lock-outs

Except as stated below, we have not experienced any strike, lock-outs or labour unrest since our Company's incorporation.

- Certain workers of the Sathyavedu Unit I went on a flash strike/hunger strike and were not paid the wages for the month of September, 2014. Upon receipt of a show cause notice dated October 13, 2014 from the Assistant Commission of Labour, Tirupati, our Company paid the pending wages to the workers.
- The workers union at our Company's Sathyavedu unit placed a charter of demands before the unit management such as provision of bonus, provident fund, food allowance, increase in basic salary etc. Subsequently, our Company entered into a memorandum of settlement dated March 24, 2015 under the provisions of the Industrial Disputes Act, 1947 with the workmen at their Sathyavedu unit who were represented by Capricorn Food Products Staff & Workers Union (the **“Union”**), before the Joint Commissioner of Labour & Conciliation Officer, Kurnool zone. The settlement was reached pursuant to bilateral negotiations and subsequent conciliation proceedings between our Company and the Union.

Injunctions or restraining order against our Company

As on the date of this Draft Red Herring Prospectus, our Company is not operating under any injunction or restraining order:

Time/cost overrun

As on the date of this Draft Red Herring Prospectus, there have been no time/cost overruns in respect of operations of our Company.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company.

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling with financial institutions or banks. Further, none of our loans have been converted into Equity Shares.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

As on the date of this Draft Red Herring Prospectus, our Company has not acquired any business or undertaking, or entered into any scheme of merger or amalgamation or revalued its assets.

Material agreements

Subscription, Share Purchase and Shareholders Agreement dated March 18, 2013 as amended by the amendment agreement dated April 6, 2013, entered into among our Company, Rahoul Jain, Shuchi Jain, Milestone I and Milestone Trust (the “Milestone SHA”)

Pursuant to the Milestone SHA, Milestone I subscribed to 875,000 Equity Shares of our Company and Milestone Trust subscribed to 25,000 Equity Shares of our Company. Furthermore, Milestone I purchased 97,230 Equity Shares of our Company from Rahoul Jain and Milestone Trust purchased 2,770 Equity Shares of our Company from Rahoul Jain. The total shareholding of Milestone I aggregated to 33.52 % of the then outstanding issued subscribed, paid up and fully-diluted share capital of our Company. The total shareholding of Milestone Trust aggregated to 0.96 % of the then outstanding issued subscribed, paid up and fully-diluted share capital of our Company. For further details of the shareholding of Milestone I and Milestone Trust in our Company, see “**Capital Structure**” on page 84.

In accordance with the terms of the Milestone SHA, Milestone I and Milestone Trust have certain rights and obligations including the right to nominate such number of non-executive directors as is proportionate to their shareholding, on the Board of Directors and committees of the Board of Directors, as well as non-executive directors on the board of the subsidiaries of our Company.

Under the terms of the Milestone SHA, Milestone I and Milestone Trust have affirmative voting rights on certain reserved matters.

Our Company has received a letter dated January 19, 2018 from Milestone I and Milestone Trust, waiving certain clauses under the Milestone SHA, which confer preferential rights on Milestone I and Milestone Trust with respect to our Company.

Share Subscription Agreement dated July 29, 2013 entered into among our Company, Pristine Mega Food Park Pvt. Ltd., Pristine Logistics & Infraprojects Pvt. Ltd., Amrapali Agro Foods Pvt. Ltd., R B Commodities Pvt. Ltd., Zenobia Agro Pvt. Ltd. and Sukhjit Starch & Chemicals Ltd. (“Bihar Mega Food Park SSA”)

Our Company has entered into a share subscription agreement dated July 29, 2013 (the “**Bihar Mega Food Park SSA**”) with various third parties, for jointly setting up a mega food park at Mansi, Khagaria, Bihar, under the Mega Food Parks Scheme (the “**MFPS**”) launched by the Ministry of Food Processing Industries (the “**MOFPI**”), Government of India.

The Bihar Mega Food Park SSA permits our Company, together with its associates, to hold up to 25% of the equity share capital of the project company, namely, Pristine Mega Food Park Private Limited (“**PMFPPL**”) and, subject to holding at least 25% of the equity share capital of PMFPPL, allows our Company to nominate one director to the board of directors of PMFPPL.

Our Company currently holds 0.023% in the equity share capital of PMFPPL, which is below the specified shareholding threshold and, thus, does not have control over, or a nominee on the board of directors of PMFPPL.

Other agreements

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company in the two years preceding the date of this Draft Red Herring Prospectus.

Holding company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Draft Red Herring Prospectus, our Company has two Subsidiaries.

Our subsidiaries

Gonglu Agro Private Limited

Gonglu Agro Private Limited (“**Gonglu**”) was incorporated under the Companies Act, 1956 on April, 17, 2013 as a private limited company with the Registrar of Companies, Chennai. Its CIN is U15500TN2013PTC090649 and its registered office is located at Old No. AH-216, New No. AH-11, 2nd Street, Shanthi Colony, Anna Nagar, Chennai 600040, Tamil Nadu. Gonglu is engaged in the business of export, import, trade, sale, manufacturing and processing of all types of agro and food products, fruit pulp, IQF products and other confectionary products.

The authorised share capital of Gonglu is ₹ 300,000,000 divided into 3,000,000 equity shares of ₹ 100 each and its paid-up share capital is ₹ 300,000,000 divided into 3,000,000 equity shares of ₹ 100 each. Gonglu is a wholly owned subsidiary of our Company.

There are no accumulated profits or losses of Gonglu not accounted for by our Company.

Fresco Juices Private Limited

Fresco Juices Private Limited (“**Fresco**”) was incorporated under the Companies Act, 1956 on April 30, 2013, as a private limited company with the Registrar of Companies, Chennai. CIN is U15500TN2013PTC090842 and its registered office is located at New No. AH-11, Old No. AH-216, 2nd Street, Shanthi Colony, Anna Nagar, Chennai 600040, Tamil Nadu. Fresco is engaged in the business of manufacture, distribution, processing of vegetable and fruit juices, organic farm products, sweetened aerated drinks and processed drinks, water and juices.

The authorised share capital of Fresco is ₹ 49,500,000 divided into 495,000 equity shares of ₹ 100 each and its paid-up share capital is ₹ 49,490,000 divided into 494,900 equity shares of ₹ 100 each. Fresco is a wholly owned subsidiary of our Company.

There are no accumulated profits or losses of Fresco not accounted for by our Company.

Our joint ventures

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any joint ventures.

Confirmations

Listing

None of our Subsidiaries are listed in India or abroad.

Sale or purchases exceeding 10% in aggregate of the total sales or purchases of our Company

Other than as provided in “**Financial Statements**” on page 198, our Company is not involved in any sales or purchases with any of our Subsidiaries where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

Business interests

Except as disclosed in “**Business**” and “**Financial Statements**” on page 147 and 198 respectively, none of our Subsidiaries has any business interest in our Company.

Strategic or financial partners

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

MANAGEMENT

Our Board

In terms of our Articles of Association, our Company is required to have not less than two and not more than 12 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises six Directors.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other Directorships
Rahoul Jain <i>Designation:</i> Chairman and Managing Director <i>Address:</i> AH-216, Anna Nagar, Chennai 600 040, Tamil Nadu, India. <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Five years with effect from April, 1 2014 to March 31, 2019. Not liable to retire by rotation. <i>DIN:</i> 00004046	44	<ul style="list-style-type: none"> Fresco Juices Private Limited Gonglu Agro Private Limited Shuchi Beverages Limited
Shuchi Jain <i>Designation:</i> Whole Time Director <i>Address:</i> AH-216, Anna Nagar, Chennai 600 040, Tamil Nadu, India. <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Five years with effect from April, 1 2015 to March 31, 2020. Liable to retire by rotation <i>DIN:</i> 00013870	40	<ul style="list-style-type: none"> Fresco Juices Private Limited Gonglu Agro Private Limited Shuchi Beverages Limited
Rajesh Singhal <i>Designation:</i> Nominee Director – Nominee of Milestone I and Milestone Trust <i>Address:</i> C-302, Lakshchandi Heights, A K Vaidya Marg, Gokuldharm, Goregaon (East), Mumbai 400 063, Maharashtra, India <i>Occupation:</i> Professional <i>Nationality:</i> Indian <i>Term:</i> From September 3, 2013 until replaced <i>DIN:</i> 01415174	46	<ul style="list-style-type: none"> IBOF Investment Management Private Limited Resonance Eduventures Limited
Virendra Singh Jain <i>Designation:</i> Independent Director	71	<ul style="list-style-type: none"> APL Apollo Tubes Limited Dalmia Bharat Limited Dahej SEZ Limited

Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other Directorships
<p><i>Address:</i> B-12, 'Saket', 2nd Floor, Gyan Bharti School Lane, South Delhi, Delhi, India 110017</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from July 19, 2017 to July 18, 2022</p> <p><i>DIN:</i> 00253196</p>		
<p>Penna Mohamed Basheer Ahamed</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> Raihan, Plot No.11, Second Lane, Officers Colony, Varadharajapuram, Velachery, Chennai 600 042, Tamil Nadu, India.</p> <p><i>Occupation:</i> Retired IAS official</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from September 5, 2017 to September 4, 2022</p> <p><i>DIN:</i> 00580494</p>	62	Nil
<p>Prasanna Kasturi</p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> O. No. 45 N. No. 22 5th Main Road, Jawahar Nagar Chennai 600 082 , Tamil Nadu, India.</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> Five years with effect from October 23, 2017 to October 22, 2022</p> <p><i>DIN:</i> 02401579</p>	61	<ul style="list-style-type: none"> • KVK Nilachal Power Private Limited • Nagai Power Private Limited • Sterling Urban Developments Private Limited • The Manjri Stud Farm Private Limited • KVK Energy And Infrastructure Private Limited • Sterling Urban Condominiums Private Limited • Rudradev Infopark Private Limited • Sical Infra Assets Limited • Sical Multimodal and Rail Transport Limited

In compliance with Section 152 of the Companies Act 2013, not less than two-thirds of our non-independent Directors are liable to retire by rotation.

Arrangement or understanding with major shareholders

Except Rajesh Singhal, none of our Directors has been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others

Brief profiles of our Directors

Rahoul Jain is the Promoter, Chairman and Managing Director of our Company. He has been on our Board since inception. He has been re-appointed as the Managing Director of our Company pursuant to a Board resolution dated April 1, 2009 and has been designated Chairman and Managing Director pursuant to a Board resolution dated December 11, 2017 and his term as our Chairman and Managing Director expires on March 31, 2019. He holds a bachelors' degree in chemical engineering from Manipal Institute of Technology, Mangalore University. He has over 18 years of experience in the field of food processing. He was recognized as the 'Entrepreneur of the

Year' by TiE in 2013, the 'SME Business Excellence Award' at the 'Karur Vysya Bank - Dun & Bradstreet SME Business Excellence Awards, 2015' and was nominated in 2013 as "India's Emerging Entrepreneur" during the Emerging India Awards. He is also the sole proprietor of RJ Farms and has served as the executive director of our Company, since 1998 before serving as our Managing Director.

Shuchi Jain is a whole time director of our Company. She has been on our Board since inception. She has been appointed as a whole time director of our Company since 2000, pursuant to a Board resolution dated March 30, 2000 and her term as a whole time director expires on March 31, 2020. She holds a Bachelor of Arts degree in corporate secretaryship from the University of Madras. She has over 18 years of experience in the field of food processing. She has served as the executive director of our Company from 1998 to 2000 before serving as our whole time director.

Rajesh Singhal is the nominee of Milestone I and Milestone Trust on our Board. He has been appointed on our Board since 2013. He holds a bachelor's degree in mechanical engineering from Indian Institute of Technology, Bombay and a post graduate diploma in management from the Indian Institute of Management, Lucknow. He also serves on the boards of IBOF Investment Management Private Limited and Resonance Eduventures Private Limited as a director and is a designated partner of Indgrowth Capital Advisors LLP.

Virendra Singh Jain is an Independent Director of our Company. He has been appointed on our Board since July 19, 2017, pursuant to a Board resolution dated July 19, 2017 and his term as an Independent Director expires on July 18, 2022. He holds a bachelor's degree in commerce from University of Delhi. He has been admitted as a fellow of the Institute of Chartered Accountants of India. He has been previously associated with the Indian Oil Corporation Limited, the Ministry of Personnel, Public Grievances and Pensions (Department of Personnel and Training) and the Steel Authority of India Limited. He has experience in the fields of finance, human resource management and overall administration and has been associated with our Company since July 19, 2017.

Penna Mohamed Basheer Ahamed is an Independent Director of our Company. He has been appointed on our Board since September 5, 2017, pursuant to a Board resolution dated September 5, 2017 and his term as an Independent Director expires on September 4, 2022. He has been an Indian Administrative Service Officer and has been associated with various portfolios in relation to the government services. He has over 19 years of experience as an Indian Administrative Service Officer and has been associated with our Company since September 5, 2017.

Prasanna Kasturi is an Independent Director of our Company. He has been appointed on our Board since October 23, 2017, pursuant to a Board resolution dated October 23, 2017, and his term as an Independent Director expires on October 22, 2022. He holds a Bachelor's degree in Commerce from the University of Madras and is a Certified Associate of the Indian Institute of Bankers. He has been previously associated with SV India Opportunities Advisors Private Limited, L&T Finance Limited, L&T Capital Company Limited, Overseas Sanmar Financial Limited and Corporation Bank. He has experience in the fields of Commercial Banking, Merchant Banking & Investment Management, Treasury Management, Corporate & Retail Lending and Private Equity Fund Management and has been associated with our Company since October 23, 2017.

Relationship between Directors

Except our Chairman and Managing Director, Rahoul Jain and Whole Time Director, Shuchi Jain none of our Directors are related to each other.

Terms of appointment of our Executive Directors

Rahoul Jain

Rahoul Jain is a Director of our Company since 1998. He was re-appointed as Managing Director of our Company pursuant to resolutions passed by the Board and Shareholders on April 1, 2009 and April 29, 2009, respectively. Pursuant to the resolution dated April 1, 2009, he was entitled to an annual remuneration of ₹ 1.02 million.

With effect from April 1, 2016, the remuneration of Rahoul Jain was increased to ₹ 0.75 million per month for a period of three years.

Shuchi Jain

Shuchi Jain is a Director of our Company since 1998. She was appointed as Whole Time Director of our Company pursuant to resolution passed by the Shareholders on March 30, 2000. Pursuant to the resolution dated March 30, 2000, she is entitled to an annual remuneration of ₹ 0.90 million.

With effect from April 1, 2016, the remuneration of Shuchi Jain was increased to ₹ 0.5 million per month for a period of four years.

Compensation paid to our Non-executive Directors

The details of the sitting fees payable to Non-Executive Directors for every meeting of committee are set out below:

Sl. No.	Name of the Committee	Sitting Fees
1.	Audit Committee	Nil
2.	Nomination, Remuneration and Compensation Committee	Nil
3.	Stakeholders' Relationship Committee	Nil
4.	Risk Management Committee	Nil
5.	Corporate Social Responsibility Committee	Nil

Our Company did not pay any compensation to the Non-Executive Directors of our Company in fiscal 2017.

1. Compensation paid or payable from our Subsidiaries

No compensation has been paid or is payable by our Subsidiaries to our Directors in the fiscal 2017:

2. Loans to Directors

No loans that have been availed of by the Directors from our Company are outstanding as on the date of this Draft Red Herring Prospectus.

Except as stated in “*Financial Statements - Restated Consolidated Financial Information - Annexure XXIV*” on page 265, none of our directors are related to the sundry debtors of our Company.

3. Bonus or profit sharing plan for the Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors

1. Shareholding of Directors in our Company

Our Articles of Association do not require the Directors to holds any qualification shares.

Except Rahoul Jain and Shuchi Jain, none of Directors hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

2. Shareholding of Directors in our Subsidiaries

None of Directors hold any equity shares in our Subsidiaries as on the date of this Draft Red Herring Prospectus.

Service contracts with Directors

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

Interest of Directors

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement

of expenses, if any, payable to them. For further details, see “*-Terms of appointment of our Executive Directors*” and “*Compensation paid to our Non-executive Directors*” on page 178 and 179, respectively.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as Promoter, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as Promoter, directors, partners, proprietors, members or trustees, pursuant to the Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares.

Except as stated above and in “*Financial Statements*” on page 198 and “*Promoter and Group Company - Business Interests of our Promoter and Related Party Transactions*” on page 192, our Directors do not have any other interest in our business.

Interest in land and property

Our Directors are not interested in any property acquired by our Company within two years of the date of this Draft Red Herring Prospectus, or presently intended to be acquired by it.

None of our Directors have any interests in any transaction by our Company for acquisition of land, construction of building and supply of machinery.

However, for further details in relations see “*Our Business*” and “*Management’s Discussion And Analysis Of Financial Condition And Results Of Operations*” on page 267.

Interest in promotion of our Company

Except Rahoul Jain who is our Promoter, our Directors have no interest in the promotion of our Company, as on the date of this Draft Red Herring Prospectus. For further details, see “*Promoter and Promoter Group*” on page 192. Further, no consideration, in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which our Directors are interests by any person, either to induce such Director to become or qualify him as, a Director, or otherwise for services rendered by the Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

Directorships of Directors in listed companies

Our Directors are not, and for the five years prior to the date of this Draft Red Herring Prospectus, have not been on the board of any listed company whose shares have been/were suspended from being traded on BSE or NSE.

None of our Directors has been or is a director on the board of any listed companies which have been or were delisted from any stock exchange(s).

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name of Director	Date of Change	Reason for change
M.Murugesan	May 9, 2017	Resignation
Sreehari Yadalam	June 28, 2017	Resignation
Thonadahalli Krishnaraj	June 28, 2017	Resignation
Virendra Singh Jain	July 19, 2017	Appointment
Penna Mohamed Basheer Ahamed	September 5, 2017	Appointment
Prasanna Kasturi	October 23, 2017	Appointment

Appointment of relatives to a place of profit

Except R.S. Jain, who has been employed as a director in our Subsidiary, Gonglu, with effect from June 6, 2017, none of the relatives of the Directors has been appointed to an office or place of profit.

Borrowing Powers

Pursuant to our Articles of Association, subject to applicable law and pursuant to a resolution passed the Shareholders of our Company passed at the extraordinary general meeting held on March 26, 2016, our Board has been authorized by our Company to borrow sums of money for general corporate purposes of our Company with or without security on such terms and conditions as the Board may think fit, which, together with the monies borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed ₹ 5,000 million.

Corporate Governance

There are six Directors on our Board, comprising two executive Directors, including one woman, one nominee Director and three independent Directors. The Chairman of our Board is Rahoul Jain, an executive Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act 2013 in relation to the composition of our Board and constitution of committees thereof.

Board committees

Our Company has constituted the following Board committees in terms of the SEBI Listing Regulations, and the Companies Act, 2013:

- (a) Audit Committee;
- (b) Nomination, Remuneration and Compensation Committee; and
- (c) Stakeholders Relationship Committee.

In addition, our Company has also constituted the following committees:

- (a) Risk Management Committee; and
- (b) Corporate Social Responsibility Committee.

Audit Committee

Our Audit Committee was last constituted by a resolution of our Board dated February 12, 2015 and reconstituted on September 5, 2017 and is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

- 1. Virendra Singh Jain (Chairman);
- 2. Penna Mohamed Basheer Ahamed (Member); and
- 3. Rahoul Jain (Member).

The terms of reference include the following:

The Audit Committee shall have powers, including the following:

- 1. to investigate any activity within its terms of reference;
- 2. to seek information from any employee;
- 3. to obtain outside legal or other professional advice; and
- 4. to secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall include the following:

- (a) oversight of our company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (b) recommendation for appointment, remuneration and terms of appointment of auditors of our Company;

- (c) reviewing the financial statement with respect to its subsidiaries, in particular investments made by the unlisted subsidiaries;
- (d) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (e) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions; and
 - g. modified opinion(s) in the draft audit report.
- (f) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (g) 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;
- (h) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (i) approval of any subsequent modification of transactions of our Company with related parties;
- (j) scrutiny of inter-corporate loans and investments;
- (k) valuation of undertakings or assets of our Company, wherever it is necessary;
- (l) evaluation of internal financial controls and risk management systems;
- (m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (n) 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;
- (o) discussion with internal auditors of any significant findings and follow up there on;
- (p) 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;
- (q) 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;

- (r) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (s) reviewing the functioning of the whistle blower mechanism;
- (t) overseeing the vigil mechanism established by our Company, with the Chairman;
- (u) 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 and background, etc. of the candidate; and
- (v) carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

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; and
6. statement of deviations in terms of the SEBI Listing Regulations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations; and
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.”

Nomination, Remuneration and Compensation Committee

Our Nomination, Remuneration and Compensation Committee was constituted pursuant to a resolution passed by our Board on February 12, 2015 and was reconstituted on September 5, 2017. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination, Remuneration and Compensation Committee currently comprises:

1. Penna Mohamed Basheer Ahamed (Chairman);
2. Virendra Singh Jain; and
3. Rajesh Singhal.

The terms of reference include the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

the Nomination, Remuneration and Compensation Committee, while formulating the above policy, should ensure that:

- i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.
2. formulation of criteria for evaluation of independent directors and the Board;
3. devising a policy on Board diversity;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);
5. perform such functions as are required to be performed by the Nomination, Remuneration and Compensation Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:
 - (a) administering the relevant ESOP plan;
 - (b) determining the eligibility of employees to participate under relevant ESOP plan ;
 - (c) granting options to eligible employees and determining the date of grant;
 - (d) determining the number of options to be granted to an employee;
 - (e) determining the exercise price under relevant ESOP plan; and
 - (f) construing and interpreting relevant ESOP plan and any agreements defining the rights and obligations of our Company and eligible employees under relevant ESOP plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of relevant ESOP plan.
6. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.
7. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
8. perform any such activities as maybe delegated by the Board or specified/provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the SEBI Listing Regulations or by any other applicable laws or regulatory authority.

Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was constituted by a resolution of our Board dated November 18, 2017 and was in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders Relationship Committee currently comprises:

1. Prasanna Kasturi (Chairman);
2. Penna Mohamed Basheer Ahamed; and
3. Rahoul Jain.

The terms of reference include the following:

1. considering and resolving grievances of shareholders, debenture holders and other security holders;
2. redressal of grievances of the security holders of our Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of our Company, etc.;

3. allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
5. carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable law.

Risk Management Committee

Our Risk Management Committee was constituted by a Board resolution dated November 18, 2017. The scope and functions of the Risk Management Committee is in accordance with the requirements of the SEBI Act (including, in each case, any statutory modification or re-enactment of such laws for the time being in force) and the applicable rules, regulations, guidelines and circulars promulgated thereunder and as amended, Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises:

1. Prasanna Kasturi (Chairman);
2. Virendra Singh Jain; and
3. Shuchi Jain.

The terms of reference include the following:

1. to review and assess the risk management system and policy of our Company from time to time and recommend for amendment or modification thereof;
2. to frame, devise and monitor risk management plan and policy of our Company;
3. to review and recommend potential risk involved in any new business plans and processes; and
4. any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law.

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted by a resolution of the Board dated February 12, 2015 and reconstituted on September 5, 2017. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee currently comprises:

1. Virendra Singh Jain (Chairman);
2. Rahoul Jain; and
3. Shuchi Jain.

The terms of reference include the following:

1. formulating and recommending to the Board a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
2. review and recommending the amount of expenditure to be incurred on the activities referred to in clause (a) of sub-section (3) of Section 135 of the Companies Act, 2013;
3. monitoring the Corporate Social Responsibility Policy of our Company from time to time;
4. Taking into consideration any other matter the Corporate Social Responsibility Policy Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

IPO Committee

Our IPO Committee was constituted by a resolution of the Board dated September 5, 2017. The IPO currently comprises:

1. Rahoul Jain (Chairman);
2. Rajesh Singhal; and
3. Shuchi Jain.

The terms of reference of the IPO Committee include the following:

1. to appoint, instruct and enter into arrangements with the BRLM(s), underwriters, syndicate members, brokers, escrow collection banks, refund banks, registrar, offer grading agency, monitoring agency, legal counsel, printers, advertising agency(ies), and any other agencies, intermediaries or persons (including any successors or replacements thereof) whose appointment is required in relation to the Offer and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters with the BRLM(s) and Selling Shareholders (if any);
2. to finalise, approve, adopt and arrange for submission of the DRHP, the RHP and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient), the preliminary and final international wrap and amendments, supplements, notices or corrigenda thereto for the issue of Equity Shares including incorporating such alterations/corrections/modifications as may be required by SEBI, Registrar of Companies, Chennai, or any other relevant governmental and statutory authorities or in accordance with all the Applicable Laws;
3. to take on record the approval of the Offer for Sale (if any);
4. to issue advertisements in such newspapers as it may deem fit and proper in accordance with Regulation 60 of the SEBI ICDR Regulations and the other Applicable Laws;
5. to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, in accordance with applicable law and on permitting existing shareholders to sell any Equity Shares of the Company held by them;
6. to open and operate separate escrow accounts and or any other account, with scheduled banks to receive applications along with application monies in relation to the Offer in terms of Section 40(3) of the Companies Act, 2013;
7. to determine the price at which the Equity Shares are offered, allotted, issued, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the Selling Shareholders (if any) and the BRLM(s) and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
8. to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, cash escrow agreement, share escrow agreement (if any), underwriting agreement, agreements with the registrar to the Offer and the advertising agency and all;
9. other agreements, documents, deeds memorandum of understanding and other instruments whatsoever, any amendment(s) or addenda thereto, including with respect to the payment of commissions, brokerages and fees, with the registrar to the Offer, legal counsels, auditors stock exchanges, BRLM(s) and other agencies/ intermediaries in connection with the Offer with the power to authorize one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;
10. the opening of a bank account of the Company for the handling of refunds for the Offer;
11. to make any applications to , seek clarifications/exemptions and obtain approvals from, if necessary, the FIPB, RBI, SEBI and such other statutory and governmental authorities in connection with the Offer, as may be required, (including for the purpose of issue of shares by the Company to non-resident investors, including NRIs and FIIs) and wherever necessary, incorporate such modifications, amendments, alterations, corrections as may be required in the DRHP, the RHP and the Prospectus;
12. to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in its absolute discretion, in consultation with BRLM(s), deem necessary or desirable for the Offer, including

without limitation, determining the anchor, investor portion and allocation to Anchor Investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with the available laws;

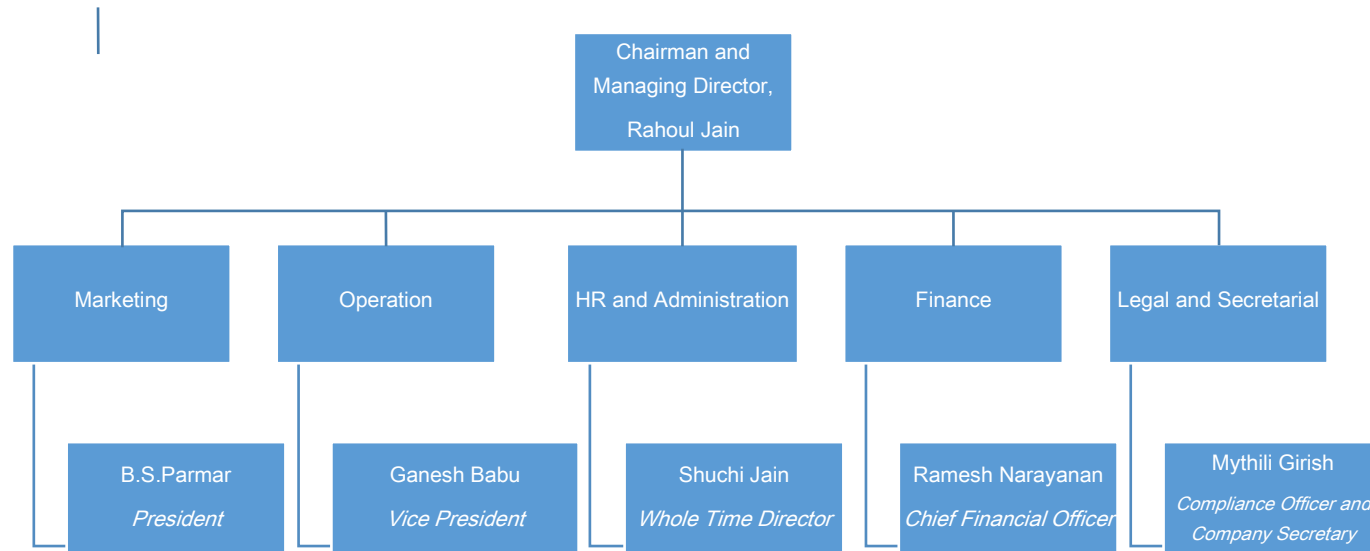
13. to seek, if required, the consent of the lenders to the Company and/or the lenders to the subsidiaries of the Company, industry data providers joint venture partners, parties with whom the Company has entered into various commercial and other agreements including without limitation customers suppliers, strategic partners of the Company, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer in accordance with the applicable laws and regulations;
14. to settle all questions, difficulties or doubts that may arise from time to time in relation to the Offer, as it may in its absolute direction deem fit;
15. to do all acts and deeds, and negotiate, finalise, settle, execute and deliver all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Offer;
16. to authorize and approve the incurring of expenditure and payment of fees, commissions and remuneration in connection with the Offer;
17. to submit undertaking/certificates or provide clarifications to the SEBI and the relevant stock exchanges where the Equity Shares of the Company are proposed to be listed;
18. to make applications to the relevant stock exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the DRHP filed with the SEBI, as may be required for the purpose;
19. to take all actions as may be necessary or authorized, in connection with the Offer for Sale (if any), including taking on record the approval of the Offer for Sale, extending the Offer period, revision of the price band, allow revision of the Offer for Sale portion (if any) in case any selling Shareholder decides to revise it, in accordance with the Applicable Laws;
20. to, in the event of an Offer for Sale (if any), invite the existing shareholders of the Company to participate in the Offer to offer for sale any Equity Shares held by them at the same price as in the Offer;
21. to issue receipts, allotment letters, confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the afore stated documents;
22. to withdraw the DRHP or the RHP or to decide not to proceed with the Offer at any stage in accordance with the Applicable Laws; and
23. to authorize and empower officers of the Company (each, an “**Authorized Officer**”), for and on behalf of the Company, to execute and deliver on a several basis, any declarations, affidavits, certificates, consents, agreements and arrangements as well as amendments or supplements thereto as may be required from time to time or that the Authorized Officers consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar’s agreement, the depository’s agreements, the issue agreements with the BRLM(s) (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the stabilization agreement, the escrow agreement, confirmation of allocation notes, and any agreement or document in connections with the Pre-IPO Placement (including any placement agreement, escrow agreement and documentation in relation to the Offer), with the BRLM(s), lead manager, syndicate members, bankers to the Offer, registrar to the Offer, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and to do or cause to be done any and all such acts or things that the Authorized Officer may deem necessary appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer and any such agreements or documents so executed and



delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

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Management Organisation Chart:



Key Management Personnel

The details of the key management personnel as of the date of this Draft Red Herring Prospectus are as follows:

Set forth below are the details of our Key Management Personnel as prescribed under the Companies Act, 2013, in addition to Rahoul Jain, our Chairman and Managing Director and Shuchi Jain, our whole time director as on the date of filing of this Draft Red Herring Prospectus. For details of our Chairman and Managing Director and whole time director, Rahoul Jain and our whole time director, Shuchi Jain, see “– **Brief Profile of our Directors**” on page 177.

S. Ramesh Narayanan, aged 53 years, was appointed as our Chief Financial Officer with effect from August 4, 2017, pursuant to a Board resolution dated July 19, 2017. He joined our Company in 1999 and resigned in 2005. He holds a bachelor’s degree in corporate secretaryship from the University of Madras. He has experience in finance and accounts. Prior to joining our Company he was associated with Oceanic Edibles International Limited and SAM Management Services Private Limited. Since he was re-appointed in fiscal 2018, he was not paid any remuneration in fiscal 2017.

Mythili Girish, aged 51 years, was appointed as our Company Secretary and Compliance Officer on November 18, 2017, pursuant to a Board resolution dated November 18, 2017. She is an associate member of the Institute of Company Secretaries of India and is an associate member of the Institute of Chartered Secretaries and Administrators. She has experience in company secretarial and compliance related work and is responsible for all company secretarial and compliance work in the Company. Prior to joining our Company, she was associated with Kothari Petrochemicals Limited, State Industries Promotion Corporation of Tamil Nadu Limited and Mercator Lines (Singapore) Limited and has been associated with our Company since November 18, 2017. Since she was appointed in fiscal 2018, she was not paid any remuneration in fiscal 2017.

Set forth are the details of our Key Management Personnel, in terms of the SEBI ICDR Regulations:

Bhopal Singh Parmar, aged 54 years was appointed as the President – Marketing on February 13, 2017. He joined our Company on February 13, 2017. He holds a bachelor’s degree in science from University of Rajasthan and a master’s degree in sciences (agriculture) from Rajasthan Krishi Vishwavidyalaya Bikaner. He has experience in production, operations, marketing and business development. He is involved in marketing operations of our Company. Prior to joining our Company he was associated with Sunrise Naturals Private Limited and has been associated with our Company since February 13, 2017. During fiscal 2017, he was paid a gross remuneration of ₹ 0.85 million.

Ganesh Babu K, aged 40 years, was appointed as the Vice President of Operations on October 23, 2017. He holds a bachelor’s degree in engineering from Kuvempu University. He has experience in global business and development. He is involved in overall operations of our Company. Prior to joining our Company he was

associated with Indian Ophthalmic Lenses Manufacturing Company Private Limited, Global Green Company Limited, Accenture Services Private Limited and Wellisen Neutraceuticals Private Limited and has been associated with our Company since October 23, 2017. Since he was appointed in fiscal 2018, he was not paid any remuneration in fiscal 2017.

All the Key Management Personnel are permanent employees of our Company.

Relationship among Key Management Personnel

None of our key management personnel are related to each another.

Shareholding of Key Management Personnel

Except Rahoul Jain and Shuchi Jain, none of our Key Management Personnel holds Equity Shares as on the date of this Draft Red Herring Prospectus.

Bonus or profit sharing plan for the Key Management Personnel

There is no profit sharing plan for the Key Management Personnel. Our Company makes bonus payments, which is in accordance with their terms of appointment.

Service Contracts with Key Management Personnel

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company including Key Managerial Personnel is entitled to any benefit upon termination of such officer's employment or superannuation pursuant to any service contracts executed with our Company.

Interest of Key Managerial Personnel

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Management Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Directors or Key Management Personnel has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or any other person.

Changes in Key Management Personnel during the last three years

The changes in our Key Management Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Name	Date	Reason for change
A. Ravindran	July 11, 2017	Resignation
Kirti Bafna	September 25, 2017	Resignation
Balasubranian M	November 16, 2017	Resignation
S. Ramesh Narayanan	August 4, 2017	Appointment
Mythili Girish	November 18, 2017	Appointment
Bhopal Singh Parmar	February 13, 2017	Appointment
Ganesh Babu K	October 23, 2017	Appointment

Employee stock option and stock purchase schemes

Presently, our Company does not have any employee stock option scheme in place.

Payment of non-salary related benefits to officers of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

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PROMOTER AND GROUP COMPANY

The Promoter of our Company is Rahoul Jain

As on the date of this Draft Red Herring Prospectus, Rahoul Jain, holds, in aggregate, 10,850,197 Equity Shares, which constitute 36.51 % of our Company's paid-up Equity Share capital. For details of the build-up of our Promoter's shareholding in our Company, see "*Capital Structure - History of Build-up, Contribution and Lock-in of Promoter's Shareholding*" on page 86.

I. Details of our Promoter

Details of our individual Promoter

Rahoul Jain



Rahoul Jain is our Promoter, Chairman and Managing Director. For further details, see "*Management*" on page 176.

Voter Identification Card Number: BDZ2444198

Driver's license number: TN01 20080006472

Our Company confirms that the permanent account number, bank account number and the passport number of our individual Promoter shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with the Stock Exchanges.

Details of our corporate Promoter

Our Company does not have any corporate Promoter.

Business Interests of our Promoter and Related Party Transactions

Interest of our Promoter in the Promotion of our Company

Our Promoter is interested in our Company to the extent of his shareholding in our Company and dividend or other distributions payable, if any, by our Company. For further details of our Promoter's shareholding, see "*Capital Structure - History of Build-up, Contribution and Lock-in of Promoter's Shareholding*" on page 86.

Additionally, Rahoul Jain is interested in our Company as a Director and Key Management Personnel and in relation to any remuneration and expenses payable to him in such capacity. For details, see "*Management - Terms of Appointment of Executive Directors*" and "*Management - Key Management Personnel*" on page 178 and 189, respectively.

Interest of our Promoter in the Property of our Company

Our Promoter does not have any interest in any property acquired by our Company during the two years preceding the date of filing of this Draft Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction including the acquisition of land, construction of building or supply of machinery.

Pursuant to a family settlement agreement dated October 25, 2017 (the "**Family Settlement Agreement**"), Rahoul Jain along with his wife Shuchi Jain and his son Rishab Jain have disassociated themselves with certain of their immediate relatives, namely, Manmohan Singh Jain (Rahoul Jain's father), Kiran Jain (Rahoul Jain's mother), Mr. Atul Jain (Rahoul Jain's brother) and Meghna Jain (Rahoul Jain's sister).

Further, the following arrangements have also been entered between parties:

- Rental Agreement dated November 18, 2017 between Rahoul Jain, Shuchi Jain and our Company by way of which, the land measuring 14.675 acres, along with all structures situated at Chittoor District, Tirupati Sri Balaji Registration District, Sathyavedu Sub-Registration District, Sathyavedu Mandal, Chinna Ettipakkam Gram Panchayat Limit, Chinna Ettipakkam Village, has been given on rent by Rahoul Jain and Shuchi Jain to our Company.
- Rental Agreement dated November 18, 2017 between Rahoul Jain and our Company by way of which, the land measuring 3.02 acres, along with all structures situated at Chittoor District, Tirupati Sri Balaji Registration District, Sathyavedu Sub-Registration District, Sathyavedu Mandal, Chinna Ettipakkam Gram Panchayat Limit, Chinna Ettipakkam Village, has been given on rent by Rahoul Jain to our Company.
- Rental Agreement dated November 17, 2017 between Rahoul Jain and the Company by way of which, the land situated at plot no.3148, bearing door no. AH 216, 2nd Street, 8th Main Road, Shanthi Colony, Anna Nagar, Chennai 600 040, has been given on rent by Rahoul Jain to our Company.

For further details in relations see “***Our Business***” and “***Management’s Discussion And Analysis Of Financial Condition And Results Of Operations***” on page 267.

Our Promoter is not interested as members of any firm or any company and no sum has been paid or agreed to be paid to our Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoter or by such firm or company in connection with the promotion or formation of our Company.

For further details in relation to related party transactions and business interest of the Promoter in sales and purchases, see “***Restated Consolidated Financial Information - Annexure XXIV - Related Party Transactions***” and “***Restated Standalone Financial Information - Annexure XXIV - Related Party Transactions***” on page 265 and 230.

Payment of Benefits and Guarantees

Except as stated in “***Financial Statements***” on page 198, no other benefit or amount has been given or paid to our Promoter or members of our Promoter Group within the two years preceding the date of filing this Draft Red Herring Prospectus or is intended to be paid or given to our Promoter or members of our Promoter Group. For details, see “***Management - Terms of Appointment of Executive Directors***” and “***Management - Key Managerial Personnel***” on page 178 and 189, respectively.

Companies with which our Promoter has disassociated in the last three years

Our Promoter has not disassociated himself from any company during the preceding three years, however for further details see risk factor titled “***The disassociated relatives of our Promoter or any entity in which they may have interest have not been considered within the definition of “promoter group” under Regulation 2(1)(zb) of the SEBI ICDR Regulations and therefore information in relation to such relatives is unavailable and has not been disclosed***” on page 23.

Change in management or control of our Company

Our Promoter is the original Promoter of our Company and there has not been any change in the management or control of our Company.

Common Pursuits of our Promoter

Our Promoter is not involved with any venture which is in the same line of activity or business as us.

Other confirmations

Our Promoter is not interested in any entity, which holds any intellectual property rights that are used by our Company. For further details, see “***Business - Intellectual Property***” on page 165.

As on the date of this Draft Red Herring Prospectus, except as disclosed in “**Restated Consolidated Financial Information - Annexure XXIV - Related Party Transactions**” and “**Restated Standalone Financial Information - Annexure XXIV - Related Party Transactions**” on page 265 and 230, respectively, (a) none of our sundry debtors is related to our Promoter; and (b) our Promoter is not related to any beneficiary of loans and advances provided by our Company.

II. Group Company

In terms of the SEBI ICDR Regulations and pursuant to the Materiality Policy, for the purposes of identification of group companies for disclosure in connection with the Offer, our Company has considered companies which are included in the list of related parties in our Restated Consolidated Financial Statements in accordance with applicable accounting standards and such other companies considered material by our Board.

Accordingly, as per the Materiality Policy, as on the date of this Draft Red Herring Prospectus, our Company has identified SBL as the Group Company, for the purposes of disclosure in connection with the Offer.

For avoidance of doubt, it is hereby clarified that our Subsidiaries have not been considered for the purposes of the disclosure as group companies in the Draft Red Herring Prospectus.

Details of the Group Company

1. Shuchi Beverages Limited

Corporate Information

Shuchi Beverages Limited (“**SBL**”) is a public limited company and was incorporated on August 9, 2011 under the Companies Act, 1956. SBL is involved in the business of manufacturing of beverages.

Interest of our Promoter

Our Promoter directly hold approximately 69.86 % of the issued, subscribed and paid up capital of SBL.

Financial Performance

The financial information derived from the audited financial results of SBL for the fiscals 2015, 2016 and 2017 are set forth below:

	fiscal 2015	fiscal 2016	fiscal 2017
Equity capital	80.30	80.30	80.30
Reserves and surplus (excluding revaluation reserves)	(1.80)	1.51	17.57
Revenue from operations and other income	223.05	268.30	243.53
Profit/(loss) after tax	(2.14)	3.32	16.06
Earnings/(loss) per share (₹) (Basic and diluted)	(0.27)	0.41	2
Net asset value per share (₹)	9.78	10.19	12.19

Net assets value per share = Net worth/number of shares as at year end.

There are no significant notes of the auditors in relation to the aforementioned financial statements except as follows:

The Auditors have remarked that the company has not complied with the provisions of Section 185 of the Companies Act, 2013 by way of granting of loans to a company in which the Director is interested. For further details see “**Outstanding Litigation and Material Developments - Details of prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last five years immediately preceding the date of this DRHP by our Company**” on page 315.

There is no Group Company with negative net worth.

Details of loss-making group companies

Our Group Company has not incurred a loss in the preceding year.

Details of group companies under winding up

As on the date of this Draft Red Herring Prospectus, our Group Company is not under winding up. Further, as on the date of this Draft Red Herring Prospectus, no winding up proceedings or actions have been initiated against our Group Company.

Sick or defunct companies

Our Group Company is not sick or defunct, under the Sick Industrial Companies (Special Provisions) Act, 1985, the Insolvency and Bankruptcy Code, 2016 or Companies Act, respectively.

No application has been made to the relevant Registrar of Companies for striking off the name of our Group Company during the preceding five years.

Interests and common pursuits of our Group Company

As on the date of this Draft Red Herring Prospectus:

- a) Our Group Company does not have any interest in the promotion or formation of our Company.
- b) Our Group Company does not have any interest in any property acquired by our Company within the two years preceding the date of filing this Draft Red Herring Prospectus or proposed to be acquired by it, or any interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.
- c) Except as set forth in “**Financial Statements**” on page 198, our Company does not have any sales or purchase transactions with our Group Company exceeding, in the aggregate, 10% of the total sales or purchases of our Company. For more information on business transactions with our Group Company and their significance on our financial performance, see “**Financial Statements**” on page 198.
- d) SBL is permitted to carry on business activities similar to that of our Company, pursuant to its memorandum of association. As and when conflicts may arise, we will examine viable solutions under applicable law and as determined by our Board. Our Company has also entered into a contract manufacturing and packaging agreement dated January 16, 2018 with SBL for the manufacture of RTE products, with effect from April 1, 2018. For further details, see “**Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Significant Developments after September 30, 2017**” on page 289.

Related Party Transactions

Except as set forth in “**Restated Consolidated Financial Information - Annexure XXIV - Related Party Transactions**” and “**Restated Standalone Financial Information - Annexure XXIV - Related Party Transactions**” on page 265 and 230, respectively, no related party transactions have been entered into between our Group Company and our Company, as on the date of the Restated Financial Statements included in this Draft Red Herring Prospectus.

Other confirmations

- a) None of our Promoter, members of Promoter Group or Group Company has been debarred or prohibited from accessing the capital market for any reasons by SEBI or any other authorities.
- b) None of our Promoter, members of Promoter Group or Group Company has been identified as Wilful Defaulters.
- c) For details in relation to legal proceedings involving our Promoter and Group Company, see “**Outstanding Litigation and Material Developments – Litigation involving our Promoter**” on page 317

and “***Outstanding Litigation and Material Developments – Litigation involving our Group Company***” on page 317.

For certain other confirmations in relation to our Promoter, members of Promoter Group and Group Company, see “***Other Regulatory and Statutory Disclosures***” on page 322.

DIVIDEND POLICY

As on the date of this Draft Red Herring Prospectus, our Company does not have a formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our shareholders, at their discretion, in accordance with provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder). Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any financing arrangements.

In addition, our ability to pay dividends may be impacted by a number of factors, including but not limited to our profits, capital requirements, contractual obligations, the overall financial condition of our Company and restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see “**Financial Indebtedness**” on page 302.

Our Company has not declared any dividends during the last five fiscals immediately preceding the date of filing of the Draft Red Herring Prospectus. For details see “**Risk Factors - Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements**” on page 43.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

To
The Board of Directors
Capricorn Food Products India Limited
AH-216, 2nd Street , 8th Main Road,
Shanthi Colony, Anna Nagar
Chennai-600 040.

Dear Sirs,

- 1) We have examined the attached Restated Standalone Financial Information of Capricorn Food Products India Limited which comprises the Restated Standalone Summary Statement of Assets and Liabilities as at 30th September 2017, and 31st March 2017, 2016, 2015, 2014 and 2013, the Restated Standalone Summary Statement of Profit and Loss and the Restated Standalone Summary Statement of Cash Flow for the six-month period ended 30th September 2017 and each of the years ended 31st March 2017, 2016, 2015, 2014 and 2013, 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 Division I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of The 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 ("ICDR Regulations") in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

The preparation of the Restated Standalone Financial Information, including the interim financial information referred to in paragraph 4 below, is the responsibility of the Management of the Company for the purpose set out in paragraph 8 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

- 2) We have examined such Restated Standalone Financial Information taking into consideration:
 - a) the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 3rd October 2017, in connection with the proposed issue of equity shares of the Company; and
 - b) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note")
- 3) These Restated Standalone Financial Information have been compiled by the Management from the audited standalone financial statements as at and for the six-month period ended 30th September 2017, and as at and for the years ended 31st March 2017, 2016, 2015, 2014 and 2013, which have been approved by Board of Directors at their meetings held on 12th January 2018, 27th September 2017, 21st September 2016, 25th August, 2015, 25th August 2014, and 28th September 2013, respectively.
- 4) In accordance with the requirements of Section 26 of Division I of Chapter III of the Act read with, Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
 - a) the Restated Standalone Summary Statement of Assets and Liabilities of the Company as at 30th September 2017, and 31st March 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in

Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion are appropriate and more fully described in Annexure IV – ‘Summary Statement of Adjustments to the Audited Standalone Financial Statements’.

- b) the Restated Standalone Summary Statement of Profit and Loss of the Company for the six-month period ended 30th September 2017, and each of the years ended 31st March 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion are appropriate and more fully described in Annexure IV – ‘Summary Statement of Adjustments to the Audited Standalone Financial Statements’.
- c) the Restated Standalone Summary Statement of Cash Flow of the Company, for the six-month period ended 30th September 2017, and each of the years ended 31st March 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion are appropriate and more fully described in Annexure IV – ‘Summary Statement of Adjustments to the Audited Standalone Financial Statements’.
- d) based on the above, and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information:
 - i. have been made after incorporating adjustments for the changes in accounting policies retrospectively in the respective financial years to reflect the same accounting treatment as per the 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 extraordinary 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

There are no qualifications in the Independent Auditor’s Reports of the audited standalone financial statements of the Company as at and for the six -month period ended 30th September 2017, and as at and for the years ended 31st March 2017, 2016, 2015, 2014, and 2013, which require any adjustments to the Restated Standalone Financial Information.

Report on other matters/comments in the annexure to the Independent Auditor’s Report of the financial statements of the Company for six-month period ended 30th September 2017 and for the years ended 31st March 2017, 2016, 2015, 2014 and 2013 which do not require any corrective adjustment in the Restated Standalone Financial Information are mentioned in Note E – ‘Non Adjusting Items’ under Annexure IV.

- 5) We have also examined the following Restated Standalone Financial Information of the Company set out in the Annexures prepared by the Management and approved by the Board of Directors on 12th January 2018 for the six-month period ended 30th September 2017, and for the years ended 31st March 2017, 2016, 2015, 2014 and 2013:
 - a) Summary Statement of Adjustments to the Audited Standalone Financial Statements, included in Annexure IV
 - b) Standalone Statement of Significant Accounting Policies and Other Explanatory Information, included in Annexure V
 - c) Restated Standalone Summary Statement of Share Capital, included in Annexure VI
 - d) Restated Standalone Summary Statement of Reserve and Surplus, included in Annexure VII
 - e) Restated Standalone Summary Statement of Long-Term Borrowings, Short-term Borrowings, and Current Maturities of Long-term Borrowings, included in Annexure VIII
 - f) Restated Standalone Summary Statement of Deferred Tax Liabilities (Net), included in Annexure IX
 - g) Restated Standalone Summary Statement of Long-Term Provision, included in Annexure X
 - h) Restated Standalone Summary Statement of Trade Payables, included in Annexure XI

- i) Restated Standalone Summary Statement of Other Current Liabilities and Short-Term Provisions, included in Annexure XIIA and XII B respectively.
- j) Restated Standalone Summary Statement of Property, Plant and Equipment, included in Annexure XIII
- k) Restated Standalone Summary Statement of Non-Current Investments, included in Annexure XIV
- l) Restated Standalone Summary Statement of Long-Term Loans and Advances and Other Non-Current Assets, included in Annexure XV A and XV B, respectively
- m) Restated Standalone Summary Statement of Inventories, Trade Receivable and Cash and Cash Equivalent, and Bank Deposits included in Annexure XVI A, XVI B and XVI C, respectively
- n) Restated Standalone Summary Statement of Short-Term Loans and Advances and Other Current Assets, included in Annexure XVII A and XVII B, respectively
- o) Restated Standalone Summary Statement of Revenue from Operations, included in Annexure XVIII A
- p) Restated Standalone Summary Statement of Other Income, included in Annexure XVIII B
- q) Restated Standalone Summary Statement of Expenses, included in Annexure XIX A-H
- r) Restated Standalone Summary Statement of Accounting Ratios, included in Annexure XX
- s) Restated Standalone Summary Statement of Capitalization, included in Annexure XXI
- t) Restated Standalone Summary Statement of Contingent Liabilities and Commitments, included in Annexure XXII
- u) Restated Standalone Summary Statement of Other Notes, included in Annexure XXIII
- v) Restated Standalone Summary Statement of Related Party Transactions, included in Annexure XXIV
- w) Restated Standalone Summary Statement of Tax Shelter, included in Annexure XXV
- x) Restated Standalone Summary Statement of Dividend, included in Annexure XXVI
- y) Restated Standalone Summary Statement of Earnings per share, included in Annexure XXVII

According to the information and explanations given to us, in our opinion, the Restated Standalone Financial Information and other Restated Standalone Financial Information contained in Annexures IV to XXVII accompanying this report, read with Standalone Statement of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Division I of Chapter III of The Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note.

- 6) This report should not in any way be construed as issuance or re-dating of any of the previous audit reports issued by us or any other auditor, 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, the BSE Limited, National Stock Exchange of India Ltd. and Registrar of Companies, Chennai in connection with the proposed initial public offering 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 R.Subramanian and Company LLP

Chartered Accountants
FRN: 004137S/S200041

GOKUL S DIXIT
Partner
Membership Number: 209464
Place: Chennai
Date: 2nd February 2018

Annexure I – Restated Standalone Summary Statement of Assets and Liabilities

(₹ Million)

Particulars	Annexure	As at					
		30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
I. EQUITY AND LIABILITIES							
(1) Shareholders' funds							
Share capital	VI	290.00	290.00	290.00	290.00	290.00	200.00
Reserves and surplus	VII	2,136.82	1,936.07	1,714.29	1,529.21	1,401.91	824.13
		2,426.82	2,226.07	2,004.29	1,819.21	1,691.91	1,024.13
(2) Non-current liabilities							
Long-term borrowings	VIII	99.62	158.46	259.27	367.95	300.54	114.21
Deferred tax liabilities (Net)	IX	154.25	138.14	143.82	126.16	111.45	94.10
Long-term provisions	X	7.26	5.26	1.73	1.73	1.73	1.75
		261.13	301.87	404.82	495.84	413.71	210.06
(3) Current liabilities							
Short-term borrowings	VIII	1,933.67	1,840.09	1,592.10	1,486.28	1,440.69	1,314.76
Trade payables	XI	642.60	608.86	528.41	521.10	281.42	185.00
Current maturities of long-term borrowings	VIII	68.11	76.03	102.80	122.54	105.27	92.50
Other current liabilities	XII A	148.02	191.07	190.63	158.57	197.02	226.94
Short-term provisions	XII B	170.99	124.46	81.21	72.58	68.28	57.98
		2,963.39	2,840.52	2,495.15	2,361.07	2,092.68	1,877.19
Total equity and liabilities		5,651.34	5,368.45	4,904.26	4,676.12	4,198.30	3,111.37
II. ASSETS							
(1) Non-current assets							
Fixed assets							
i) Property plant and equipment	XIII	1,560.88	1,466.26	1,550.62	1,421.01	1,154.69	932.89
ii) Capital work-in-progress		-	98.62	-	65.63	116.97	125.63
Non-current investments	XIV	349.49	349.49	301.45	231.45	161.45	0.45
Long-term loans and advances	XV A	27.31	24.33	10.05	7.81	16.25	10.68
Other non-current assets	XV B	-	-	1.14	24.52	35.85	-
		1,937.68	1,938.70	1,863.26	1,750.42	1,485.21	1,069.65
(2) Current assets							
Inventories	XVI A	1,861.47	1,586.05	1,311.54	1,515.95	1,407.79	1,343.57
Trade receivables	XVI B	780.77	760.18	760.96	664.81	650.26	406.20
Cash and bank balances	XVI C	191.53	191.33	122.67	160.52	102.92	94.47
Short-term loans and advances	XVII A	828.75	820.02	738.75	467.78	466.13	125.38
Other current assets	XVII B	51.14	72.17	107.08	116.64	85.99	72.10
		3,713.66	3,429.75	3,041.00	2,925.70	2,713.09	2,041.72
Total assets		5,651.34	5,368.45	4,904.26	4,676.12	4,198.30	3,111.37

The above statement should be read with the Restated Standalone Summary Statement of Cash Flow (Annexure III), Summary Statement of Adjustments to the Audited Standalone Financial Statements (Annexure IV) and Standalone Statement of Significant Accounting Policies and Other Explanatory Information (Annexure V).

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN:004137S/S200041

GOKUL S DIXIT
Partner
Membership No:209464

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure II – Restated Standalone Summary Statement of Profit and Loss

(₹ Million)

Particulars	Annexure	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014	Year ended 31st March 2013
III. INCOME							
Revenue from operations	XVIII A	2,259.72	4,295.42	4,029.38	3,889.42	3,077.30	2,548.73
Other Income	XVIII B	5.90	71.71	9.58	27.93	56.66	76.24
Total		2,265.62	4,367.14	4,038.95	3,917.35	3,133.96	2,624.97
IV. EXPENDITURE							
Cost of materials consumed	XIX A	1,291.28	2,289.38	1,781.12	2,006.29	1,564.59	1,122.81
Purchases of Stock-in-Trade	XIX B	322.65	846.22	639.96	665.31	458.27	243.08
Changes in inventories of Finished Goods	XIX C	(244.63)	(339.35)	234.79	(84.84)	(90.09)	277.03
Employee benefit expenses	XIX D	66.52	124.87	112.80	106.72	94.91	62.48
Manufacturing expenses	XIX E	180.81	398.31	293.42	345.07	327.46	207.93
Administrative and selling expenses	XIX F	175.46	316.20	273.77	313.09	333.58	288.13
Total		1,792.09	3,635.63	3,335.86	3,351.64	2,688.72	2,201.46
V. EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION		473.53	731.50	703.10	565.71	445.24	423.51
Finance Costs	XIX G	96.67	252.64	283.49	282.64	179.43	203.32
Depreciation	XIX H	81.04	153.07	145.01	129.06	114.63	(126.79)
VI. PROFIT BEFORE TAX		295.83	325.80	274.59	154.00	151.18	346.99
VII. TAX EXPENSE							
(1) Current tax		58.82	77.63	61.42	34.80	24.76	69.42
(2) Deferred tax (asset)/liability		16.11	(5.67)	17.65	14.71	17.35	70.83
(3) MAT credit availed		-	-	-	(22.81)	(18.71)	(47.21)
(4) MAT credit utilised		20.14	32.07	10.43	-	-	-
VIII. NET PROFIT/(LOSS) FOR THE PERIOD		200.76	221.77	185.09	127.30	127.78	253.94

The above statement should be read with the Restated Standalone Summary Statement of Cash Flow (Annexure III), Summary Statement of Adjustments to the Audited Standalone Financial Statements (Annexure IV) and Standalone Statement of Significant Accounting Policies and Other Explanatory Information (Annexure V).

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN:004137S/S200041

GOKUL S DIXIT
Partner
Membership No:209464

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure III – Restated Standalone Summary Statement of Cash Flow

(₹ Million)

Particulars	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014	Year ended 31st March 2013
Profit before tax	295.83	325.80	274.59	154.00	151.18	346.99
Adjustments						
Depreciation	81.04	153.07	145.01	129.06	114.63	(126.79)
Interest income	(5.38)	(11.07)	(8.99)	(27.12)	(17.47)	(21.36)
Interest and finance charges	96.67	252.64	283.49	282.64	179.43	203.32
Profit on sale of assets (net)	0.32	(0.51)	0.06	-	(33.70)	(46.79)
Profit on sale of investment	-	(0.15)	-	-	-	-
Operating profit before working capital changes	468.47	719.78	694.17	538.59	394.07	355.37
Adjustments for changes in working capital						
(Increase)/decrease in trade receivables	(20.60)	0.79	(96.15)	(14.55)	(244.06)	167.96
(Increase)/decrease in long-term loans and advances	(2.98)	(14.28)	(2.24)	8.45	(5.58)	(0.68)
(Increase)/decrease in short-term loans and advances	(8.72)	(81.28)	(270.97)	(1.65)	(340.74)	39.32
(Increase)/decrease in other current assets	21.03	34.91	9.56	(30.65)	(13.88)	(57.93)
(Increase)/decrease in inventories	(275.42)	(274.51)	204.40	(108.16)	(64.22)	272.54
Increase/(decrease) in other current liabilities	(43.06)	0.44	32.06	(38.45)	(29.92)	(93.92)
Increase/(decrease) in short-term provisions	46.53	43.25	8.63	4.30	10.30	19.55
Increase/(decrease) in long-term provisions	2.00	3.53	-	-	(0.03)	-
Increase/(decrease) in trade and other payables	33.74	80.45	7.31	239.68	96.42	(273.49)
Income tax paid (Net)	(78.96)	(109.70)	(71.85)	(11.99)	(6.05)	(11.44)
A Net cash flow - operating activities	142.03	403.39	514.93	585.55	(203.69)	417.26
Purchase of fixed assets	(77.44)	(173.45)	(210.42)	(344.05)	(330.16)	(246.92)
(Increase)/decrease in non-current assets	-	1.14	23.38	11.33	-	-
(Investment)/refund of margin money deposit	31.49	(66.02)	29.56	(78.48)	(18.21)	25.10
Sale of fixed assets	0.09	6.63	1.36	-	36.10	60.13
Proceeds from sale of investment	-	0.60	-	-	-	-
(Increase)/decrease in other non-current assets	-	(48.49)	(70.00)	(70.00)	(196.85)	-
Interest received	5.38	11.07	8.99	27.12	17.47	21.36
B Net cash flow - investing activities	(40.49)	(268.53)	(217.12)	(454.07)	(491.66)	(140.33)
Proceeds from issue of share capital	-	-	-	-	540.00	-
Net proceeds/(repayment) of borrowings	26.81	120.42	(22.61)	130.28	325.02	(53.65)
Interest and Finance charges paid	(96.67)	(252.64)	(283.49)	(282.64)	(179.43)	(203.32)
C Net cash flow - financing activities	(69.85)	(132.22)	(306.10)	(152.36)	685.59	(256.97)
Net change in Cash and Cash Equivalent (A+B+C)	31.69	2.64	(8.29)	(20.88)	(9.76)	19.95
Cash and Cash Equivalents, beginning of period	5.00	2.36	10.65	31.54	41.29	21.34
Cash and Cash Equivalents as at end of period	36.69	5.00	2.36	10.65	31.54	41.29

1. The above statement should be read with the Summary Statement of Adjustments to the Audited Standalone Financial Statements (Annexure IV) and Standalone Statement of Significant Accounting Policies and Other Explanatory Information (Annexure V)
2. The above cash flow statement has been prepared under indirect method as per Accounting Standard (AS-3) on "cash flow statement" prescribed in Companies (Accounting Standard) Rules, 2006, which continues to apply under Section 133 of Companies Act, 2013 ("The Act") read with Companies (Accounting Standard) Rules.
3. Previous year figures have been regrouped /rearranged wherever considered necessary.

This is the Restated Standalone Summary Statement of Cash Flow referred to in our report of even date.

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN:004137S/S200041

GOKUL S DIXIT
Partner
Membership No:209464

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure IV – Summary Statement of Adjustments to Audited Standalone Financial Statements

(₹ Million)						
Particulars	30th September	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Profit after tax as per audited standalone financial statements	187.53	205.14	196.66	163.60	134.00	101.24
A: Material adjustment:						
Forward contract (note i)	-	5.48	(0.95)	8.91	(15.17)	11.04
APEDA subsidy (note ii)	-	15.13	(1.23)	(16.64)	(0.74)	3.60
Adjustment of APEDA subsidy included in Freight	-	-	-	-	-	(2.10)
Duty drawback (notes ii and iii)	-	3.07	2.65	(8.01)	1.26	1.02
Depreciation (note iv)	(1.31)	(10.98)	(2.49)	(24.99)	2.48	223.20
Interest on credit availed from related party (note viii)	-	11.99	(3.51)	(4.86)	(3.62)	-
Profit/(loss) on sale of fixed assets	(0.17)	(2.37)	(0.06)	-	-	(0.10)
Total (A)	(1.47)	22.32	(5.58)	(45.60)	(15.80)	236.67
B: Adjustment for Deferred Tax, Income Tax and MAT						
Deferred tax expense/credit on Material adjustments above	(19.68)	21.55	(1.43)	6.38	(6.69)	(63.54)
Provision of Income tax	17.72	(5.42)	5.88	6.51	10.27	(57.57)
MAT credit as per Section 115JAA of Income Tax Act	16.67	(21.82)	(10.43)	(3.59)	6.00	37.15
Total (B)	14.70	(5.69)	(5.98)	9.30	9.58	(83.96)
Total Adjustments (A+B)	13.23	16.63	(11.57)	(36.30)	(6.22)	152.70
Profit after tax as per Restated Standalone Financial Information	200.76	221.77	185.09	127.30	127.78	253.94

The above table does not contain impact of regrouping/reclassification done in accordance with the requirement of Schedule III to the Companies Act, 2013. The above table should be read with notes on adjustments for Restated Standalone Summary Statement of Assets and Liabilities, Restated Standalone Summary Statement of Profit and Loss and Restated Standalone Summary Statement of Cash Flow.

A. Material Adjustment

- Gain or loss on forward contracts has been accounted for the proportionate contract period in each financial year on the basis of actual past or subsequent realization, arising from cancellation or expiry of such contract.
- Income from duty drawback and **Agricultural and Processed Food Products Export Development Authority** (APEDA) subsidy has been adjusted for years upto 31st March 2013 to comply with Accrual principle of accounting. In cases where the receipt of income pertains to a period prior to 1st April 2012, the same has been directly adjusted in the opening reserves as at 1st April 2012.
- Since the Company is only eligible for duty drawback of 0.15% of FOB value of qualifying exports, any duty drawback accounted as income, in excess of such eligibility, has been reversed for years ended 31st March 2015 and 31st March 2016. We are informed that there are no such excess incomes requiring reversals for the years ended 31st March 2013 and 31st March 2014.
- The Company made a change in its accounting policy to change the method of computation of depreciation on fixed assets from written-down value (WDV) to straight-line method (SLM) with effect from 1st April 2014, and also simultaneously adopted the estimated useful life corresponding with the rates of depreciation prescribed under Schedule II of Companies Act, 2013. The retrospective effect of such change on the net book value of fixed assets up to 31st March 2012 has been adjusted in the restated Depreciation Reserves for the year ended 31st March 2013. Subsequently, the revised depreciation has been computed on such carried forward net book value of fixed assets for each successive accounting period up to the year ended 31st March 2017 and six-month period ended 30th September 2017.
- Revenue from product sales for years ended 31st March 2013, 2014, 2015 and 2016 have been restated to disclose gross sales value including excise duty paid or payable on revenue. Excise duty paid or payable has been disclosed as a deduction from such value to arrive at Revenue from operations.
- Finished goods inventory for the years ended 31st March 2013, 2014, 2015 and 2016 have been restated to include excise duty payable on manufactured goods. Such excise duty has been included as part of Annexure XIX E – ‘Restated Standalone Summary Statement of Manufacturing Expenses’.

vii. Deferred tax assets and liabilities for the years ended 31st March 2013, 2014, 2015 and 2016 have been restated based on the computation as per balance sheet approach, instead of the previously used profit/loss methodology.

viii. Interest on loan availed from a company in which Directors are interested, which had been cumulatively charged to the Statement of Profit and Loss for the year ended 31st March 2017 has been restated to account for interest expenses in the respective accounting years, viz. years ended 31st March 2014, 2015 and 2016.

B. Adjustment for Deferred Tax, Income Tax and MAT

- i. Deferred tax and Minimum Alternate Tax for each year has been restated on the basis of adjustments made in section A. - 'Material Adjustment' above, and as per the actual timing differences arising on the basis of Income tax returns filed by the Company
- ii. Based on the above adjustments and restatements, Provision for income tax has been restated in the respective years.

C. Material regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flow in order to bring them in line with groupings as per the audited financial statements of the Company as at and for the six-month period ended 30th September 2017, and as at and for the years ended 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014, prepared in accordance with Schedule III of the Companies Act, 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

(₹ Million)	
Particulars	Amount
Net surplus in Standalone Statement of Profit and Loss as at 1st April, 2012	559.55
Adjustments:	
APEDA subsidy of prior years accounted	1.99
Tax credit entitlement u/s 115 JAA*	17.96
Provision for forward contract liability	(9.32)
Net Surplus in the Restated Standalone Statement of Profit and Loss	570.19

*Tax credit entitlement u/s 115JAA amounting to ₹17.96 million pertaining to accounting periods prior to 2012-13 were accounted for in the audited standalone financial statements of the year ended 31st March 2013. However, this amount has been restated to be included in Net Surplus in the Restated Standalone Summary Statement of Profit and Loss as at 1 April 2012, based on income tax records of the Company.

E. Non-Adjusting items

According to the information and explanation given to us and records of the Company, following are dues outstanding of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax on account of disputes:

For the year ended 31st March 2017 - Clause vii (b) of CARO

(₹ Million)				
Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	371.28	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Excise duty	1.35		Commissioner of Central Excise Appeals	March 2011 to June 2013
Andhra Pradesh Value Added Tax	15.68		Pending with CST Tribunal Delhi, Assistant Commissioner CT and Appellate Tribunal	F.Y 2005-2006 to 2008-2009 F.Y 2010-2011 to 2012-2013
TN Value Added Tax	85.63	-	Deputy Commissioner	2007-08 to 2014-15
Agricultural marketing committee demand	85.62		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2012-13

In respect of loans and guarantee, the Company has not complied with the provisions of Section 185 of the Companies Act, 2013, as follows

Particulars	Non-compliance
Corporate Guarantee extended to a bank in respect to credit facilities sanctioned to a body corporate covered under explanation (d) to Section 185	Section 185

For the year ended 31st March 2016 - Clause vii (b) of CARO

(₹ Million)				
Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	226.67	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Andhra Pradesh Value Added Tax	15.68		Pending with CST Tribunal Delhi, Assistant Commissioner CT and Appellate Tribunal	F.Y 2005-2006 to 2008-2009 F.Y 2010-2011 to 2012-2013
TN Value Added Tax	85.63	-	Deputy Commissioner	2007-08 to 2014-15
Agricultural marketing committee demand	85.62		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2012-13

For the year ended 31st March 2015 - Clause vii (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	41.31	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Andhra Pradesh Value Added Tax	15.53		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2011-12

For the year ended 31st March 2014 - Clause ix (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	35.03	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2014-15; 2016-17
Andhra Pradesh Value Added Tax	15.53		First class Judicial Magistrate Court	FY 2010-11, FY 2011-12, FY 2011-12

For the year ended 31st March 2013 - Clause ix (b) of CARO

(₹ Million)

Nature of dues	Amount	Paid under protest	Forum where pending	Assessment Years
Income tax	118.59	13.00	CIT Appeals and Chennai High Court	2004-05 to 2005-06; 2007-08 to 2010-11

As per our report of even date attached.

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN:004137S/S200041

GOKUL S DIXIT
Partner
Membership No:209464

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure V – Significant Accounting Policies and Other Explanatory Information

a) Basis of preparation of Restated Standalone Financial Information

The Restated Standalone Summary Statement of the Assets and Liabilities (Annexure I) of the Company as at 30th September 2017 and 31st March 2017, 2016, 2015, 2014 and 2013, and the Restated Standalone Summary Statement of Profit and Loss (Annexure II) and the Restated Standalone Summary Statement of Cash Flow (Annexure III) for the six-month period ended 30th September 2017 and for the years ended 31st March 2017, 2016, 2015, 2014 and 2013 along with Annexures IV to XXVII (collectively referred to as the 'Restated Standalone Financial Information') have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India (SEBI) in connection with the proposed Initial Public Offering (here in after referred to as 'IPO').

The Restated Standalone Financial Information has been prepared by applying necessary adjustments to the standalone financial statements ('Financial Statements') of the Company. The Financial Statements are prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') and the requirements of the Companies Act, 1956 (up to 31st March 2014), and notified sections, schedules and rules of the Companies Act, 2013 (with effect from 1st April 2014) ('the Act'), including the Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Amendment Rules, 2016, Rule 7 of the Companies (Accounts) Rules, 2014, (hereinafter referred as 'the Rules'), and other accounting principle generally accepted in India to the extent applicable. The accounting policies have been consistently applied by the Company for all the years presented and are consistent.

The Restated Standalone Financial Information of the Company have been prepared using presentation and disclosure requirements and comply in all material respects with the requirements of Schedule III of the Companies Act, 2013, in addition to the Revised Schedule VI to the Companies Act, 1956 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI, as amended from time to time.

The Restated Standalone Financial Information have been prepared by the Company to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of section 26 of Schedule III to the Companies Act, 2013/ Revised Schedule VI to the Companies Act, 1956, as applicable, read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, ("the SEBI Guidelines") issued by SEBI on August 26, 2009 ('the Regulations') as amended time to time.

With effect from 1st April 2014, Schedule III notified under the Act has become applicable to the Company for the preparation and presentation of its Restated Standalone Financial Information. Accordingly, previous years' figures have been regrouped or reclassified, wherever applicable.

Appropriate re-classifications/adjustments have been made in the Restated Standalone Financial Information wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations.

The Restated Standalone Financial Information are presented in Indian rupees, rounded off to nearest million, with two decimals, except percentages, earnings per share data and where mentioned otherwise.

b) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Restated Standalone Summary Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

c) Use of estimates

Estimates and assumptions made by the Management in the preparation of financial statements have a bearing on reported amounts of financial results, assets and liabilities and the disclosure of contingent liabilities. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively.

d) Revenue recognition

Revenue is recognized, and expenditure is accounted for on their accrual. Excise duty recovery from customer is deducted from Gross Turnover. Revenue from domestic sale is recognized on delivery to the carrier when risk and rewards of ownership is passed on to the customers. Sale of goods in respect of export sales is recognized as and when shipment of goods takes place. Other items of income are recognized when there is no significant uncertainty as to its measurability or collectability. Export incentives are accounted on export of goods, when conditions precedent to claims are fulfilled. Duty drawback entitlements under the scheme of Government of India are recognized, in the year in which the export of sales is accounted for. Advance license benefits on exports are accounted in the year of utilization. Government grants are accounted in accordance with Accounting Standard-12 of ICAI.

e) Property, plant and equipment

Property, Plant and Equipment are recorded at cost and cost includes appropriate direct and allocated expenses, including interest on specified borrowings for acquisition of assets up to the date of commencement of commercial production.

f) Depreciation and amortization

Depreciation on Property, Spares, Plant and Equipment is calculated under the Straight Line Method based on useful life of the assets and in accordance with Schedule II of the Companies Act, 2013 after reckoning the residual value at 5% of the original cost of the asset. Plant and Equipment are depreciated based on the number of days of double shifts worked as prescribed in Schedule II of the Companies Act, 2013. Spares having different useful lives from that of their related machinery are depreciated as per their useful life determined by the management. Intangible assets are amortized equally over their estimated useful life.

g) Inventories

Raw materials and packing materials are valued at weighted average cost. Finished goods are valued at cost (including overheads and excise duty) or net realizable value whichever is lower. Net realizable value is the estimated arm's length selling price in the ordinary course of business, less cost incurred for completing the sale. Valuation of stock of materials and Finished Goods transferred from one manufacturing facility to the other unit includes factory costs of the transferor unit, plus transport and other charges.

h) Employee benefits

Short-term employee benefits are charged at the undiscounted amount to the Statement of Profit and Loss in the year in which related service is rendered. Contributions to defined contribution schemes towards Provident Fund for the year are charged to the Statement of Profit and Loss account as incurred. Liability in respect of Gratuity is provided for based on an actuarial valuation in accordance with Accounting Standard 15 - Employee Benefits.

i) Provision, Contingent liabilities and Contingent assets

A provision is created when there is a present obligation as a result of an obligation/ event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for contingent liability is made when there is a possible or a present obligation that may, but probably will not, require immediate outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is very remote, no provision or disclosure is made.

j) Taxes on income

Income tax expense comprises current tax and deferred tax. Current income tax is provided on the taxable income for the period as per the provisions of Income Tax Act, 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting incomes that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

k) Foreign exchange transactions

Transactions in foreign exchange are initially recognized at the rates prevailing on the date of transaction. All monetary assets and liabilities are restated at balance sheet date using year-end closing foreign exchange rate. Resultant exchange difference is recognized as income or expense in the year which they arise.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes substantial period of time to be installed for its intended use, are capitalized as part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds utilized in the acquisition and construction of an asset.

m) Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired, after considering adjustments if any, already carried out.

n) Earnings per share

Earnings considered in ascertaining earnings per share comprise of profit after tax. The number of shares used in computing earnings per share is the weighted average of the number of shares outstanding during the year. For the purpose of calculating Diluted earnings per share, the net profit or loss after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

o) Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a 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 disclosed separately.

p) Subsequent events occurring after the balance sheet date

Any significant events or transactions after the balance sheet date with significant impact in the current year are taken into consideration and the impact of such transactions if quantifiable is provided for in the financial statements.

q) Classification of current/ non-current assets and liabilities

All assets and liabilities are presented as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

r) Cash and cash equivalent

Cash and cash equivalent for the purpose of statement of cash flow comprise of cash on hand and cash at bank.

s) Investments

Long-term Investments are valued at cost and any permanent diminution in carrying amount is provided for in the Statement of Profit and Loss.

Annexure VI -Restated Standalone Summary Statement of Share Capital

a. Authorised, issued, subscribed and paid-up share capital

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<u>Authorised</u>						
Equity Shares of Rs.10/- each	300.00	300.00	300.00	300.00	300.00	200.00
<u>Issued, Subscribed and Paid-up</u>						
Equity Shares of Rs.10/- each	290.00	290.00	290.00	290.00*	290.00	200.00

b. Reconciliation of Number of Equity Shares outstanding at the beginning and end of period

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
No. of shares outstanding at beginning of period	29.00	29.00	29.00	2.90	2.00	2.00
Add: Shares allotted as fully paid-up during the year	-	-	-	-	0.90	-
Less: Shares bought back during the year	-	-	-	-	-	-
No. of shares outstanding at end of the period	29.00	29.00	29.00	29.00*	2.90	2.00

* One equity share of Face Value of ₹ 100 was sub-divided into 10 equity shares of ₹ 10 each, effective 31st March 2015

c. Terms/Rights attached to equity shares

Each holder of equity shares is entitled to one vote per shares. In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend, however, the same is subject to the approval of the shareholders in the Annual General Meeting.

d. Details of Shareholders holding more than 5% of aggregate shares of the Company

(Million shares)

	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014 *	31st March 2013
No. of shares outstanding at beginning of period						
Equity shares of ₹ 10 each fully paid						
Rahoul Jain	10.13	10.13	10.08	10.08	1.01	1.11
% holding	34.93%	34.93%	34.74%	34.74%	34.74%	55.38%
M/s. Mile Stone Private Equity Fund	9.72	9.72	9.72	9.72	0.97	-
% holding	33.53%	33.53%	33.53%	33.53%	33.53%	0.00%
Shuchi Jain	8.87	8.87	8.87	8.87	0.88	0.88
% holding	30.59%	30.59%	30.59%	30.59%	30.52%	44.25%

e. Other details of equity shares for five years immediately preceding 31st March 2017

Allotted as fully paid-up bonus shares:

Nil

Allotted as fully paid-up, pursuant to contracts without payment being received in cash

Nil

Bought back

Nil

Annexure VII - Restated Standalone Summary Statement of Reserves and Surplus

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Share premium - opening balance	450.00	450.00	450.00	450.00	-	-
Addition during the year	-	-	-	-	450.00	-
Share premium - end of the year (A)	450.00	450.00	450.00	450.00	450.00	-
Opening Surplus in Statement of Profit and Loss	1,486.07	1,264.29	1,079.21	951.91	824.13	570.19
Profit during the year	200.76	221.77	185.09	127.30	127.78	253.94
Closing Surplus in Statement of Profit and Loss (B)	1,686.82	1,486.07	1,264.29	1,079.21	951.91	824.13
Total Reserves and Surplus (A+B)	2,136.82	1,936.07	1,714.29	1,529.21	1,401.91	824.13

Annexure VIII - Restated Standalone Summary Statement of Long-term Borrowings, Short-term Borrowings and Current Maturities of Long-term Borrowings

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Term loan from banks (secured)	145.30	154.48	217.30	285.90	323.61	189.43
Loans repayable on demand working capital loan from banks (secured)	1,948.30	1,908.58	1,718.97	1,643.90	1,440.69	1,314.76
Vehicle loan from banks (secured)	7.81	10.20	8.57	13.09	17.65	17.28
Loan from Directors	-	1.33	9.33	33.89	64.55	-
Total	2,101.40	2,074.59	1,954.17	1,976.77	1,846.49	1,521.48
Total borrowings represented by :						
- Long-term borrowings	99.62	158.46	259.27	367.95	300.54	114.21
- Short-term borrowings	1,933.67	1,840.09	1,592.10	1,486.28	1,440.69	1,314.76
- Current maturities of Long-term borrowings	68.11	76.03	102.80	122.54	105.27	92.50
Total	2,101.40	2,074.59	1,954.17	1,976.77	1,846.49	1,521.48

The above includes debts due to Promoter/Directors as follows:

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Loan from Directors	-	1.33	9.33	33.89	64.55	-

Except for the above, there are no other amounts due to subsidiaries, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

The rate of interest and terms of repayment for Term Loans are as follows:

(₹ Million)

Bank	Outstanding as at 30th September 2017	Rate of Interest	Repayment Instalments as at 30th September 2017
Indian Bank	17.75	12.25%	44
Citi Bank	11.34	10.00%	48
State Bank of India	30.68	13.40%	30
State Bank of India	23.16	10.60%	60
ICICI Bank	21.49	5.27%	18
ICICI Bank	40.88	6.20%	47
Total	145.30		

Details of security offered for Secured Loans

Hypothecation of entire fixed assets of the company including land, Factory Building and Plant & Machinery situated at Sathyavedu, Andhra Pradesh and Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu.

PRIMARY SECURITY:

- 4 acres, factory land of the company situated at Sathyavedu, Andhra Pradesh (First charge to State Bank of India)
- 1.15 acres, factory land of a Director situated at Sathyavedu, Andhra Pradesh (First charge to State Bank of India)
- 9.20 acres, factory land of the company situated at Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu (First charge to ICICI Bank)
- 10.155 acres, factory land of the company situated at Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu (First charge to Indian Bank)

COLLATERAL SECURITY:

- First paripassu charge on 6.00 acres of vacant land situated in Krishnagiri taluk belonging to the Company
- First paripassu charge on 69.17 acres of land with plantation situated at Sathyavedu belonging to a Director
- First paripassu charge on 1.92 acres of farm land with plantation at Sathyavedu belonging to a Director
- First paripassu charge on 16.21 acres of farm land with plantation at Sathyavedu belonging to a Director
- First paripassu charge on 18.90 acres of land at Sathyavedu belonging to a Director

- f) First pari-passu charge on 0.23 acres of land at Satyavedu belonging to a Director
 - g) First pari-passu charge on 6.48 acres of land at Satyavedu belonging to a Director
 - h) First pari-passu charge on 12,000 square feet out of 64.1 cents (Plot E) belonging to a Director
 - i) First pari-passu charge on 52.34 cents vacant housing plots in Chengalpet District belonging to a Director
 - j) Charge on two residential flats in Medavakkam belonging to Directors
 - k) The Loans are personally guaranteed by two Directors
-
- a) Pari-passu first charge on the current assets of the Company (stock and book debts)
 - b) Pari-passu second charge on factory land (4 acres and 1.15 acres of factory land situated at Satyavedu, Andhra Pradesh, 9.20 acres and 10.155 acres of factory land situated at Bannihalli Village, Krishnagiri District, Kaveripattinam SRO, TamilNadu)
 - c) Pari-passu second charge on all fixed assets of the company, existing and future situated at plants in Satyavedu and Krishnagiri Plants I & II.
 - d) Pari-passu first charge on Collaterals.
 - e) Personal guarantees of two Directors

Annexure IX - Restated Standalone Summary Statement of Deferred Tax Liabilities (Net)

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Deferred tax liabilities (Net)	154.25	138.14	143.82	126.16	111.45	94.10
Total	154.25	138.14	143.82	126.16	111.45	94.10

Annexure X - Restated Standalone Summary Statement of Long-term Provisions

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Provision for gratuity	7.26	5.26	1.73	1.73	1.73	1.75

Annexure XI - Restated Standalone Summary Statement of Trade Payables

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Dues to Micro, Small and Medium Enterprises	-	-	-	-	-	-
Dues to others	642.60	608.86	528.41	521.10	281.42	185.00
Total	642.60	608.86	528.41	521.10	281.42	185.00

- The vendors covered under the Micro, Small and Medium Enterprises Development Act, 2006 have been identified on the basis of information available with the Company and this has been relied upon by the auditors.
- There are no amounts due to subsidiaries, Promoters, Directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XII A - Restated Standalone Summary Statement of Other Current Liabilities

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Advance received from customers	14.31	8.61	8.88	2.70	7.92	14.10
Advances payable to Fresco Juices Private Limited*	0.59	-	-	-	-	-
Statutory Dues payable	31.05	43.01	40.88	57.36	33.43	34.39
Interest-free Sales Tax Loan	11.03	12.44	13.04	13.70	14.15	14.70
Other accruals	30.80	34.87	20.17	15.48	9.68	11.87
Sundry Creditors for Capital Goods	58.44	75.99	93.88	60.66	127.58	151.88
Interest accrued and due on short-term borrowings	1.36	1.94	2.51	0.17	0.00	-
Current maturity of Loan from Director	0.01	-	-	-	-	-
Interest outstanding on buyers' credit	0.42	0.27	0.49	0.85	1.00	-
Interest on credit availed from related party	-	13.95	10.79	7.63	3.26	-
Total Other Current Liabilities	148.02	191.07	190.63	158.57	197.02	226.94

* Wholly-owned subsidiary

The above includes amounts due to the entities over which Directors have significant influence:

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Interest on credit availed from related party	-	13.95	10.79	7.63	3.26	-

The above includes amounts due to a wholly-owned subsidiary as follows:

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Advances payable to Fresco Juices Private Limited*	0.59	-	-	-	-	-

- Except for the above, there are no other amounts due to subsidiaries, Promoters, Directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XII B - Restated Standalone Summary Statement of Short-term Provisions

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Provision for Income Tax	162.74	104.78	75.73	68.04	54.84	57.98
Provision for bonus	0.51	0.38	-	-	-	-
Current Liability portion of Provision for Gratuity	0.20	0.20	-	-	-	-
Forward Contract Liability	7.54	19.10	5.48	4.53	13.44	-
Total Short-term Provisions	170.99	124.46	81.21	72.58	68.28	57.98

Annexure XIII - Restated Standalone Summary Statement of Property, Plant and Equipment:

(₹ Million)

Particulars	30th September	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
<u>Gross Block - Tangible Assets</u>						
Land	108.83	90.54	87.21	87.21	56.44	10.66
Buildings	656.32	617.03	613.04	545.62	418.38	327.14
Plant and machinery	1,460.73	1,344.29	1,293.22	1,098.75	889.04	721.22
Electrical fittings	90.34	88.99	87.87	80.39	60.90	46.33
Office equipment	9.78	9.68	9.47	8.81	6.77	5.42
Furniture and fixtures	17.08	16.95	16.89	16.19	14.40	7.70
Computers and accessories	10.08	9.63	8.73	6.54	4.42	3.51
Vehicles	45.30	46.61	42.17	42.66	40.42	32.37
Total	2,398.46	2,223.72	2,158.63	1,886.16	1,490.78	1,154.36
<u>Accumulated Depreciation - Tangible Assets</u>						
Buildings	118.33	107.44	86.89	67.63	50.46	36.97
Plant and machinery	634.12	571.30	456.50	347.98	251.01	163.66
Electrical fittings	43.51	39.97	31.90	22.84	14.78	6.96
Office equipment	8.00	7.36	5.93	4.34	2.56	1.23
Furniture and fixtures	9.35	8.65	7.07	5.39	3.79	2.41
Computers and accessories	8.20	7.46	5.74	4.08	3.42	3.36
Vehicles	16.07	15.28	13.98	12.89	10.07	6.88
Total	837.58	757.45	608.00	465.15	336.09	221.47
<u>Net Block - Tangible Assets</u>						
Land	108.83	90.54	87.21	87.21	56.44	10.66
Buildings	537.99	509.59	526.16	477.98	367.92	290.17
Plant and machinery	826.62	772.99	836.72	750.77	638.03	557.56
Electrical fittings	46.83	49.02	55.98	57.55	46.11	39.37
Office equipment	1.78	2.32	3.54	4.47	4.21	4.20
Furniture and fixtures	7.73	8.30	9.82	10.80	10.62	5.29
Computers and accessories	1.88	2.17	2.99	2.45	1.00	0.15
Vehicles	29.23	31.33	28.20	29.77	30.36	25.49
Total	1,560.88	1,466.26	1,550.62	1,421.01	1,154.69	932.89

Annexure XIV - Restated Standalone Summary Statement of Non-Current Investments

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Shuchi Beverages Limited	-	-	0.45	0.45	0.45	0.45
Fresco Juices (wholly-owned subsidiary)	49.49	49.49	1.00	1.00	1.00	-
Gonglu Agro (wholly-owned subsidiary)	300.00	300.00	300.00	230.00	160.00	-
Total	349.49	349.49	301.45	231.45	161.45	0.45

- 45,000 equity shares (₹10 face value) of Shuchi Beverages Limited were sold to a Director during 2016-17
- The Company is holding 2,500 equity shares of ₹ 10 each in Pristine Mega Food Park Private Limited at a cost of ₹ Nil (P.Y. 2016, 2015, 2014 and 2013: ₹ Nil)

Annexure XV A- Restated Standalone Summary Statement of Long-term Loans and Advances

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Electricity Deposits	11.80	10.87	8.59	7.43	7.94	6.99
Telephone and internet deposits	0.06	0.06	0.06	0.06	0.06	0.06
Rental advance	0.07	0.07	-	-	1.05	1.24
Sales tax deposits	0.02	0.02	0.02	0.02	0.02	1.99
Other security deposits	0.42	0.30	0.37	0.30	7.17	0.39
Deposits with Government agencies against pending appeals	14.93	13.00	1.00	-	-	-
Total	27.31	24.33	10.05	7.81	16.25	10.68

- There are no amounts due from subsidiaries, Promoters, Directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XV B - Restated Standalone Summary Statement of Other Non-Current Assets

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Advance for project expenses	-	-	-	24.33	35.58	-
Pre-operative expenses	-	-	1.14	0.19	0.28	-
Total	-	-	1.14	24.52	35.85	-

Annexure XVI A- Restated Standalone Summary Statement of Inventories

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Raw materials	-	6.53	4.70	12.03	-	4.85
Packing materials	148.15	110.82	177.50	139.78	128.49	149.51
Finished goods	1,713.32	1,468.69	1,129.34	1,364.14	1,279.30	1,189.21
Total	1,861.47	1,586.05	1,311.54	1,515.95	1,407.79	1,343.57

Annexure XVI B- Restated Standalone Summary Statement of Trade Receivable

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Unsecured and considered good						
Debts over 6 months due from date of payment	91.76	47.30	49.60	4.33	4.25	-
Others	761.77	777.59	824.79	856.19	717.49	406.20
Less: Provision for Bad and Doubtful Debts	-	-	-	-	-	-
Less: Bills discounted	(72.76)	(64.71)	(113.43)	(195.71)	(71.48)	-
Total	780.77	760.18	760.96	664.81	650.26	406.20

- There are no amounts due from subsidiaries, Promoters, Directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XVI C- Restated Standalone Summary Statement of Cash and Bank Balances

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Cash and Cash Equivalent						
Cash on hand						
- Cash in Indian Rupees	0.30	1.35	0.60	1.58	1.02	5.13
- Cash in foreign currency	0.36	0.26	0.10	0.17	0.48	-
Balance with scheduled banks in current a/c						
- Indian Rupees	1.32	2.95	1.66	3.71	2.97	36.16
- Exchange Earners' Foreign Currency	34.70	0.43	-	5.20	27.07	-
	36.69	5.00	2.36	10.65	31.54	41.29
Bank Deposits						
Deposit accounts - margin money for Letter of credit, Bank Guarantees	154.84	186.33	120.31	149.87	71.39	53.17
Total	191.53	191.33	122.67	160.52	102.92	94.47

Annexure XVII A - Restated Standalone Summary Statement of Short-term Loans and Advances

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Advances recoverable in cash or kind for value to be received						
Staff advances	0.85	0.24	0.18	0.62	(0.04)	0.03
Advance to suppliers	8.79	64.31	130.49	-	95.43	101.13
Other advances	1.46	29.97	24.15	106.60	39.99	6.34
Advance to Director	-	-	-	-	-	1.24
Prepaid expenses	7.21	10.23	10.35	8.68	6.08	4.15
Sale tax appeal deposits	-	-	1.10	1.34	-	-
Claims receivable	113.46	127.59	60.67	32.44	29.23	12.50
Advance to suppliers (wholly-owned subsidiaries)						
Fresco Juices Private Limited	-	3.10	36.03	30.67	7.72	-
Gonglu Agro Private Limited	696.98	584.57	475.78	287.43	287.71	-
Total	828.75	820.02	738.75	467.78	466.13	125.38

- Claims receivable includes input tax credits and Government subsidies and incentives

Short-term loans and advances include the following debts due from promoter, related parties and other related entities, as follows:

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Relatives of Directors						
RS Jain	-	-	0.05	0.00	0.08	-
MS Jain	-	10.00	-	10.00	-	-
Enterprises over which KMP/ their relatives exercise significant influence						
Shuchi Beverages Limited	-	5.99	-	0.73	-	0.07
RJ Farms	-	-	-	-	-	(5.57)
MSJ Trade Impex Limited	-	17.50	-	-	-	-
Kiran Global Chem Limited	-	-	-	-	40.00	-
Wholly-owned subsidiaries						
Gonglu Agro Private Limited	696.98	584.57	475.78	287.43	287.71	-
Fresco Juices Private Limited	-	3.10	36.03	30.67	7.72	-

- Except for the above, there are no other amounts due from subsidiaries, Promoters, Directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XVII B - Restated Standalone Summary Statement of Other Current Assets

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Minimum alternate tax credit	44.05	64.19	96.26	106.69	83.88	65.17
Interest accrued on deposits	7.09	7.98	10.82	9.95	2.11	5.20
Forward contract	-	-	-	-	-	1.73
Total	51.14	72.17	107.08	116.64	85.99	72.10

Annexure XVIII A - Restated Standalone Summary Statement of Revenue from Operations

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Export - manufactured products	895.46	1,867.66	1,624.09	1,394.42	1,289.53	986.59
Domestic - manufactured products	944.01	1,609.87	1,608.42	1,537.07	1,036.73	945.81
Co-packing and traded products	373.79	679.98	672.95	786.28	661.80	590.60
Less: Excise duty	(27.06)	(79.66)	(78.38)	(78.72)	(50.34)	(43.25)
Revenue from product sales :	2,186.21	4,077.85	3,827.08	3,639.04	2,937.71	2,479.75
License sales	55.23	92.82	80.88	144.36	70.50	-
Total	2,241.43	4,170.66	3,907.96	3,783.41	3,008.21	2,479.75
Other Operating Income						
Export incentives	4.34	83.90	48.24	36.50	7.20	8.14
Processing and other contract income	13.94	40.86	73.18	69.51	61.89	60.84
	18.28	124.76	121.41	106.01	69.09	68.98
Total	2,259.72	4,295.42	4,029.38	3,889.42	3,077.30	2,548.73

- Excise duty above for the six-month period ended 30th September 2017 pertains to duties on domestic sales made during the period 1st April 2017 to 30th June 2017, prior to introduction of GST

Annexure XVIII B-Restated Standalone Summary Statement of Other Income

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Foreign exchange gain, net	0.38	51.00	-	-	-	-
Interest income	5.38	11.07	8.99	27.12	17.47	21.36
Profit on sale of fixed assets	-	0.51	-	-	33.70	46.79
Profit on sale of investment	-	0.15	-	-	-	-
Sundry creditors balances written back	-	8.16	-	-	-	-
Discount received	-	-	0.51	0.65	1.12	0.24
Miscellaneous income	0.14	0.82	0.08	0.16	4.36	7.85
Total	5.90	71.71	9.58	27.93	56.66	76.24

Annexure XIX A- Restated Standalone Summary Statement of Cost of Raw Material and Packing Material Consumed

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Raw material consumption						
Opening stock	6.53	4.70	12.03	-	4.85	3.69
Add: Purchases of fruits and vegetables	1,068.84	1,934.59	1,448.34	1,465.42	1,171.30	872.18
Less: Closing stock	-	(6.53)	(4.70)	(12.03)	-	(4.85)
	1,075.37	1,932.75	1,455.67	1,453.40	1,176.15	871.01
Packing material consumption						
Opening stock	110.82	177.50	139.78	128.49	149.51	146.19
Add: Purchases						
Aseptic bags	55.68	57.44	60.32	88.70	69.99	29.86
MS barrels/drum	80.70	129.18	114.98	147.09	123.41	52.32
OTS cans	51.69	36.56	96.09	178.56	106.45	105.05
Others	65.17	66.78	91.78	149.83	67.58	67.89
Less: Closing stock	(148.15)	(110.82)	(177.50)	(139.78)	(128.49)	(149.51)
	215.91	356.63	325.45	552.89	388.44	251.80
Total	1,291.28	2,289.38	1,781.12	2,006.29	1,564.59	1,122.81

Annexure XIX B -Restated Standalone Summary Statement of Purchases of Stock-in-trade

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Fruit pulps	308.07	812.53	616.64	637.57	458.27	243.08
Others	14.58	33.69	23.32	27.74	-	-
Total	322.65	846.22	639.96	665.31	458.27	243.08

Annexure XIX C-Restated Standalone Summary Statement of Changes in Inventories of Finished Goods

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Finished goods at the beginning of the year	1,468.69	1,129.34	1,364.14	1,279.30	1,189.21	1,466.23
Less: Finished goods at the end of the year	(1,713.32)	(1,468.69)	(1,129.34)	(1,364.14)	(1,279.30)	(1,189.21)
Net (increase)/decrease in inventories	(244.63)	(339.35)	234.79	(84.84)	(90.09)	277.03

Annexure XIX D -Restated Standalone Summary Statement of Employee Benefit Expenses

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Salaries, wages and bonus	49.56	95.10	93.26	87.89	71.09	53.20
Directors' remuneration	7.50	15.00	9.60	9.60	9.60	4.20
Contribution to provident fund	3.48	5.39	2.05	1.44	1.06	0.28
Contribution to other funds	0.32	-	0.02	0.01	0.02	-
Gratuity	2.00	3.77	-	-	-	-
Staff Welfare Expenses	3.66	5.61	7.87	7.78	13.14	4.81
Total	66.52	124.87	112.80	106.72	94.91	62.48

Annexure XIX E- Restated Standalone Summary Statement of Manufacturing Expenses

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Consumption of stores and consumables	18.66	24.90	7.26	23.09	16.40	7.44
Processing and labour charges	118.86	208.23	158.96	174.64	169.97	36.25
Power and fuel	52.93	101.63	98.64	112.22	128.42	70.68
Repairs and maintenance - machinery	12.15	28.65	17.36	3.32	5.93	6.18
Excise duty on finished goods	(35.66)	6.46	(7.20)	11.01	(4.76)	30.15
Other manufacturing expenses	13.87	28.45	18.40	20.79	11.49	57.25
Total	180.81	398.31	293.42	345.07	327.46	207.93

- Excise duty on finished goods as at 31st March 2017 reversed in six-month period ended 30th September 2017 upon introduction of GST

Annexure XIX F -Restated Standalone Summary Statement of Administrative and Selling Expenses

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Payment to auditors	0.20	0.50	0.14	0.13	0.14	0.11
Business promotion	2.15	0.71	0.20	0.38	5.37	1.62
Clearing and forwarding	13.01	48.62	35.01	18.40	15.33	65.88
Electricity charges - office	0.51	0.92	0.92	0.38	0.63	0.31
Foreign exchange loss, net	-	-	2.08	9.20	50.87	36.32
Freight outward	104.81	167.53	155.02	190.98	176.43	115.23
General office maintenance	3.34	3.86	2.81	0.20	2.34	2.71
Postage and telegram	1.33	3.65	1.65	1.59	1.52	1.58
Printing and stationery	0.81	1.67	1.94	2.88	2.01	1.61
Professional and consultancy charges	7.53	12.26	8.56	9.56	18.48	6.22
Rates and taxes	2.12	7.44	5.48	2.42	2.45	12.29
Rent	0.21	0.55	0.35	1.11	0.72	0.59
Repairs and maintenance - building	5.62	3.37	1.67	7.87	4.05	2.14
Repairs and maintenance - others	6.65	13.70	11.40	16.91	5.46	3.04
Security charges	4.70	9.03	6.78	7.78	6.06	4.28
Subscriptions	-	2.04	0.12	0.15	0.78	-
Communication	0.81	1.12	1.77	2.43	1.86	1.67
Travelling and conveyance	6.09	11.67	8.11	11.46	17.01	15.72
Vehicle insurance and maintenance	1.75	4.99	2.71	3.47	6.47	1.32
General insurance	2.89	3.63	3.52	1.27	-	3.45
ECGC premium	1.54	3.13	6.84	8.56	4.21	-
Export inspection	0.33	0.67	1.52	1.71	1.77	-
Sales commission	0.49	3.58	5.05	3.09	1.20	1.47
Discount on sales	8.25	3.21	1.97	10.06	7.54	9.47
Bad debts	-	3.95	-	-	-	-
Preliminary expenses written off	-	-	(0.02)	1.13	0.89	-
Loss on sale of fixed assets	0.32	-	0.06	-	-	-
Interest paid to statutory authorities	0.01	4.24	-	-	-	-
Miscellaneous expenses	-	0.15	8.13	-	-	1.11
Total	175.46	316.20	273.77	313.09	333.58	288.13

Annexure XIX G - Restated Standalone Summary Statement of Finance Cost

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Interest Cost						
Working capital	72.22	189.14	212.63	192.12	117.19	144.84
Term loan	7.92	26.84	37.34	45.49	32.23	28.68
Others	1.64	3.51	3.51	4.86	3.62	-
Bank charges	14.89	33.15	30.02	40.17	26.39	29.80
Total	96.67	252.64	283.49	282.64	179.43	203.32

Annexure XIX H -Restated Standalone Summary Statement of Depreciation

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Depreciation	81.04	153.07	145.01	129.06	114.63	(126.79)
Total	81.04	153.07	145.01	129.06	114.63	(126.79)

Annexure XX – Restated Standalone Summary Statement of Accounting Ratios

Particulars	(Shares in Million; ₹ Million)					
	30th September 2017 #	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Face value per equity share (₹)	10.00	10.00	10.00	10.00	100.00	100.00
Adjusted Earnings Per Share (₹)						
- Adjusted Basic Earnings Per Share (A/D)	6.92	7.65	6.38	4.39	44.14	126.97
- Adjusted Diluted Earnings Per Share (B/E)	6.92	7.65	6.38	4.39	44.14	126.97
Return on Networth (A/F)	8.27%	9.96%	9.23%	7.00%	7.55%	24.80%
Net asset value per share (₹) (F/C)	83.68	76.76	69.11	62.73	583.42	512.06
<i>Workings:</i>						
A: Restated standalone profit after tax attributable to equity shareholders	200.76	221.77	185.09	127.30	127.78	253.94
B: Adjusted restated standalone profit after tax attributable to equity shareholders	200.76	221.77	185.09	127.30	127.78	253.94
C: Equity shares outstanding, end of period (No.)	29.00	29.00	29.00	29.00	2.90	2.00
D: Weighted average number of equity shares outstanding for calculation of Basic EPS	29.00	29.00	29.00	29.00	2.90	2.00
E: Adjusted weighted average number of equity shares outstanding for calculation of Diluted EPS	29.00	29.00	29.00	29.00	2.90	2.00
F: Restated Networth, end of period	2,426.82	2,226.07	2,004.29	1,819.21	1,691.91	1,024.13
# Figures are not annualized						

i. The ratios have been computed as follows:

(a) Earnings Per Share (Basic)	=	$\frac{\text{A: Restated standalone profit after tax attributable to equity shareholders}}{\text{D: Weighted average number of equity shares outstanding}}$
(b) Adjusted Earnings Per Share (Diluted)	=	$\frac{\text{B: Adjusted restated standalone profit after tax attributable to equity shareholders}}{\text{E: Adjusted weighted average number of equity shares outstanding}}$
(c) Return on Networth	=	$\frac{\text{A: Restated standalone profit after tax attributable to equity shareholders}}{\text{F: Restated Networth, end of period}}$
(d) Net Asset Value Per Share	=	$\frac{\text{F: Restated Networth, end of period}}{\text{C: Equity shares outstanding, end of period}}$

ii. Networth for ratios mentioned in Note (i)(c) above = Total paid-up share capital + Reserves and surplus (including Securities premium account and Surplus in the Restated Standalone Summary Statement of Profit and Loss)

iii. Weighted average number of shares represents the number of equity shares outstanding at the beginning of the period, adjusted by the number of equity shares issued during year, multiplied by the time weight factor. The time weight factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

Annexure XXI – Restated Standalone Summary Statement of Capitalisation

(₹ Million)

Particulars	Pre-issue 30th September 2017	As adjusted for issue (Refer Note 1 below)
Short-term borrowings	1,933.67	
Long-term borrowings	167.73	
Total borrowings	2,101.40	
Share capital	290.00	
Reserves and surplus	2,136.82	
Total Shareholders Funds	2,426.82	
Long-term borrowings / Shareholders' funds	0.07	

1. The corresponding figures (as adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished
2. Short-term borrowings are considered as borrowings due within 12 months from the balance sheet date
3. Long-term borrowings are considered as other than short-term borrowings, as defined above and also include current maturities of long-term borrowings

Annexure XXII – Restated Standalone Summary Statement of Contingent Liabilities and Capital Commitments

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Demand from Income Tax authorities	506.48	371.28	226.67	41.31	35.03	118.59
Tamil Nadu Value Added Tax demand	96.41	85.63	85.63	-	-	-
Agricultural marketing committee	85.62	85.62	85.62	-	-	-
Andhra Pradesh Value Added Tax demand	15.68	15.68	15.68	15.53	15.53	-
Excise Duty demand	52.89	1.35	-	-	-	-
Creditor claim under litigation	4.54	4.54	4.54	4.54	4.54	4.54
Claim by Triguni Food Private Limited	5.00	5.00	5.00	5.00	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	92.49	15.00	5.74	17.37	-	-
Letters of credit issued by bank on behalf of the Company	140.00	204.27	196.76	201.70	-	-
Export obligations remaining to be fulfilled in respect of EPCG licenses	1.42	5.40	-	-	-	-
Bank guarantees	200.60	201.60	0.35	2.50	-	-
Corporate guarantee extended to bank in respect of loan to Gonglu Agro Private Limited	660.70	689.20	689.20	689.20	-	-
Corporate guarantee extended to bank in respect of loan to Company in which Director is interested	-	200.00	200.00	200.00	200.00	200.00
Additional Central Sales Tax payable due to non-receipt of C-Form from customers	9.69	32.03	7.00	0.32	-	-

Annexure XXIII – Restated Standalone Summary Statement of Other Notes

A. Value of imported and indigenous material consumed and the percentage of each of the total consumption

(₹ Million)

Particulars	30th September 2017		31st March 2017		31st March 2016		31st March 2015		31st March 2014		31st March 2013	
	(%)	Value	(%)	Value	(%)	Value	(%)	Value	(%)	Value	(%)	Value
Imported	-	-	-	-	-	-	-	-	-	-	-	-
Indigenous	100.00%	1,075.37	100.00%	1,932.75	100.00%	1,455.60	100.00%	1,465.42	100.00%	1,628.60	100.00%	121.60
Total	100.00%	1,075.37	100.00%	1,932.75	100.00%	1,455.60	100.00%	1,465.42	100.00%	1,628.60	100.00%	121.60

B. Details of opening and closing stock, production and sales of goods

- Six-month period ended 30th September 2017:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	17,439	826.64	8,377	227.82	26,040	26,922	1,502.48	24,935	1,233.60

- Year ended 31st March 2017:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	17,220	885.34	13,177	701.00	34,788	47,746	2,823.89	17,439	826.64

- Year ended 31st March 2016:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	30,737	1,181.65	15,218	558.79	19,339	48,073	2,718.52	17,220	885.34

- Year ended 31st March 2015:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	38,153	1,139.24	13,631	508.01	29,111	50,158	2,657.59	30,737	1,181.65

- Year ended 31st March 2014:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	28,924	947.69	13,199	393.32	45,725	49,695	2,459.74	38,153	1,139.24

- Year ended 31st March 2013:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	34,507	1,360.35	12,586	234.60	23,086	41,255	1,845.88	28,924	947.69

C. CIF value of imports (including high-sea purchase)

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Packing material	107.98	51.40	185.20	39.72	81.95	81.91
Capital goods	16.05	44.10	39.40	266.74	-	-
Consumables	-	3.30	-	-	-	-

D. Expenditure in foreign currency

(₹ Million)

Particulars	30th September	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Capital goods import (CIF basis)	16.05	44.10	39.40	266.74	-	-
Packing material import (CIF basis)	107.98	51.40	185.20	39.72	81.95	81.91
Consumables	-	3.30	-	-	-	-
Foreign travel	0.85	1.90	3.10	44.26	5.87	4.52
Freight	0.06	1.60	4.30	-	-	-

E. Earnings in foreign currency

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Export of goods on FOB basis	1,026.29	2,202.50	1,930.20	1,950.46	1,837.37	1,225.31

F. Employee benefits – Gratuity

(₹ Million)

Summary of actuarial valuation	31 st March 2017
Liability at the beginning of the period	-
Add: Interest cost	-
Current service cost	5.46
Past service cost	-
Settlement cost	-
Curtailment cost	-
Less: Benefits Paid	-
Actuarial (gain)/loss	-
Liability as at the end of the period	5.46
Changes in the Plan Assets in the inter-valuation period	Not Applicable
Recognition of actuarial gain / loss as on accounting date	
Actuarial gain/(loss) in inter-valuation Period: -- Obligation	-
Actuarial (gain)/loss in inter-valuation Period: -- Plan Assets	-
Actuarial gain/loss recognized in inter-valuation period	-
Unrecognized Actuarial (gain)/loss	-
Amounts to be recognized in the balance sheet	
Present value of obligation on the accounting date	(5.46)
Fair Value of Plan Assets on the accounting date	-
Unrecognized actuarial (gain) /loss	-
Net asset / (liability) recognised in the balance sheet	(5.46)
Unrecognized liability	-

(₹ Million)

Expense to be recognized in Profit and Loss Account	31 st March 2017
Interest cost	-
Current service cost	5.46
Past service cost	-
Curtailment cost (credit)	-
Settlement cost (credit)	-
Expected return on Plan Assets	-
Net actuarial (gain)/loss recognized	-
Expense to be recognized in Profit and Loss Account	5.46

Reconciliation	31 st March 2017
Net Liability as at the beginning of year	-
Expenses recognized in Profit and Loss Account	5.46
Less: adjustments to last valuation closing balance	-
Less: benefits paid directly by the Group	-
Less: contributions made to the fund	-
Liability recognized in the Balance Sheet at year end	5.46

Actual return on assets – Not applicable

Category of plan assets – Not applicable

(₹ Million)

Principal Actuarial Assumptions	31 st March 2017
Interest (discount) rate (liabilities)	7.30%
Interest rate (Rate of return on assets)	-
Salary escalation rate (per annum)	5.00%
Resignations rate (per annum)	3.00%
Mortality	Ind. (2006-8)

(₹ Million)

Experience related adjustments	31 st March 2017
Liability side	-
Asset side	-

(₹ Million)

Compliance with Schedule III of the Companies Act, 2013	31 st March 2017
Value of current year obligation	0.20
Present value of non-current year obligation	5.26
Expected additions to the asset in the current year	-
Net current year obligation	(0.20)

G. Payment to auditors

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Statutory Audit Fees	0.20	0.40	0.14	0.09	0.08	0.08
Tax Audit Fees	-	0.10	-	0.04	0.06	0.03

Annexure XXIV – Restated Standalone Summary Statement of Related Party Transactions

Particulars	Name	Designation/Relationship
Key managerial personnel (KMP)	Rahoul Jain	Chairman and Managing Director
	Shuchi Jain	Wholetime Director
	K. Menon	Director
	Ramesh Narayanan	Chief Financial Officer
Relatives of KMP	Manmohan Singh Jain	Father of Chairman and Managing Director
	Atul Jain	Brother of Chairman and Managing Director
	Kiran Jain	Mother of Chairman and Managing Director
	Rishabh Jain	Son of Chairman and Managing Director, and Wholetime Director
	Meghna Jain	Sister of Chairman and Managing Director
	RS Jain	Father of Wholetime Director
	Santhosh Jain	Mother of Wholetime Director
Enterprise over which KMP/ their relatives have significant influence	Shuchi Beverages Limited	-
	RJ Farms	-
	Kiran Global Chem Limited	-
	MSJ Trade Impex Limited	-

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
KMP	Rahoul Jain Shuchi Jain					
Relative of KMP	Manmohan Singh Jain Atul Jain Rishabh Jain Meghna Jain RS Jain Kiran Jain Santosh Jain					
Enterprise over which KMP/ their relatives have significant influence	Shuchi beverages Limited RJ Farms Kiran Global Chem Limited MSJ Trades Impex Limited					
Wholly-owned subsidiaries	Gonglu Agro Private Limited Fresco Juices Private Limited					N/A N/A

Related Party Transactions - Key Management Personnel

(₹ Million)							
Name	Nature of Transaction	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Rahoul Jain	Remuneration	4.50	9.00	5.40	5.40	5.40	2.40
	Purchase of raw materials	-	4.68	0.48	0.84	-	-
	Advance for expenses	-	-	0.13	0.31	-	-
	Unsecured loan outstanding	-	-	(2.40)	(14.76)	(64.54)	1.24
Shuchi Jain	Remuneration	3.00	6.00	4.20	4.20	4.20	1.80
	Purchase of raw materials	0.43	-	-	-	-	0.35
	Sale of investment	-	0.60	-	-	-	-
	Unsecured loan outstanding	-	(1.32)	(6.93)	(19.13)	-	-

Related Party Transactions – Enterprise over which KMP/ their relatives have significant influence

(₹ Million)

Name	Nature of Transaction	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Shuchi Beverages Limited	Purchase of license	13.75	29.92	24.49	29.13	-	-
	Purchase of packing material	-	-	-	0.69	-	-
	Sale of license	-	9.98	58.58	29.08	-	-
	Expenses (Advances)	-	5.99	-	0.73	-	0.07
RJ Farms	Purchase of raw material	-	-	-	-	-	3.68
	Sale of raw material	-	-	-	-	-	11.86
	Expenses (Advances)	-	-	-	-	-	(5.57)
MSJ Trade Impex Limited	Loan given	-	17.50	-	-	-	-
Kiran Global Chem Limited	Expenses (Advances)	-	-	-	-	40.00	-
	Sales	-	-	-	-	0.01	-
RS Jain		-	-	0.05	0.00	0.08	-
MS Jain		-	10.00	-	10.00	-	-

Related Party Transaction: Wholly-owned subsidiary

(₹ Million)

Wholly-owned subsidiary	Nature of Transaction	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Gonglu Agro Private Limited	Purchase of raw material	0.12	5.01	82.91	-	-	-
	Purchase of license	1.41	1.22	-	-	-	-
	Purchase of finished goods	54.53	536.82	195.61	256.64	-	-
	Purchase of packing material	4.76	-	-	-	-	-
	Jobwork	0.29	6.81	17.84	-	-	-
	Receivable balances	696.98	584.57	475.78	287.43	287.71	-
	Sale of finished goods	-	17.74	41.47	-	-	-
	Sale of raw material	-	-	-	52.79	-	-
	Sale of packing material	1.04	11.68	14.19	53.86	-	-
	Sale of fixed asset	-	5.72	0.15	3.04	-	-
	Sale of license	5.49	3.14	-	-	-	-
	Investment	-	(0.00)	70.00	70.00	160.00	-
Fresco Juices Private Limited	Sale of Packing Materials	3.93	-	-	-	-	-
	Receivable balances	(0.59)	3.10	36.03	30.67	7.72	-
	Sales	-	2.80	5.09	5.12	0.45	-
	Investment	-	48.49	-	-	-	-
	Expenses (Advances)	-	-	-	-	7.27	-

Annexure XXV – Restated Standalone Summary Statement of Tax Shelter

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Profit before tax (as per restated standalone financial statements)	295.83	325.80	274.59	154.00	151.18	346.99
Maximum marginal income tax rate (including surcharge and education cess)	32.14%	34.61%	34.61%	33.99%	33.99%	32.45%
Permanent differences						
- Deductions under Income Tax Act - Chapter VI A	(18.00)	(36.06)	(38.81)	(82.86)	(67.40)	(32.18)
- Disallowance under the Income Tax Act						
Prior period expense	-	4.81	8.13	-	0.89	-
Others	-	17.63	-	-	1.12	3.77
- Adjustment of (profit)/loss on sale of assets	-	(3.58)	-	-	(33.70)	(4.46)
Timing differences						
- Disallowance under the Income Tax Act						
Section 43B	-	6.37	-	-	-	-
Section 40(a)(ia)	-	-	-	-	1.05	-
- Difference between depreciation calculated as per Companies Act, 2013 and Income Tax Act	(15.94)	(9.63)	(44.44)	(43.29)	(35.34)	(245.65)
Total income	261.88	305.34	199.48	27.86	17.81	68.46
Tax liability under normal provisions	84.16	105.67	69.04	9.47	6.05	22.21
Tax liability under MAT provisions	89.44	73.61	58.60	32.28	24.76	69.42
Provision for taxation - per Restated Standalone Summary Statement of Profit and Loss	58.82	77.63	61.42	34.80	24.76	69.42

- Provision for taxation for the six-month period ended 30th September 2017 is computed based on the annualized projected taxable profit for the full year, and after considering deferred tax liability and available MAT credit
- Provision for taxation for the financial years ended 31st March 2015, 2016 and 2017 include ₹2.52 million and ₹2.82 million and ₹ 4.02 million, respectively for restatement of tax expense provided for in subsequent years in the audited standalone financial statements.

Annexure XXVI – Restated Standalone Summary Statement of Dividend

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Paid-up equity share capital	290.00	290.00	290.00	290.00	290.00	200.00
Dividend on equity shares						
- Interim dividend	-	-	-	-	-	-
- Final dividend	-	-	-	-	-	-
Dividend in %	-	-	-	-	-	-

Annexure XXVII – Restated Standalone Summary Statement of Earnings Per Share

(Millions of equity shares; ₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Restated profit after tax	200.76	221.77	185.09	127.30	127.78	253.94
Equity shares outstanding, (beginning of the year)	29.00	29.00	29.00	2.90	2.00	2.00
Shares issued during the year	-	-	-	-	-	-
Debt convertible to equity shares	-	-	-	-	-	-
Equity shares issued under ESOP scheme	-	-	-	-	-	-
Bonus shares issued under ESOP Scheme	-	-	-	-	-	-
Weighted average number of equity shares outstanding for calculation of basic EPS	29.00	29.00	29.00	29.00	2.90	2.00
Potential equity shares (CCD)	-	-	-	-	-	-
Potential equity shares for outstanding ESOP scheme	-	-	-	-	-	-
Adjusted weighted average number of equity shares for calculation of diluted EPS	29.00	29.00	29.00	29.00	2.90	2.00
Adjusted Basic Earnings Per Share (₹)	6.92	7.65	6.38	4.39	44.14	126.97
Adjusted Diluted Earnings Per Share (₹)	6.92	7.65	6.38	4.39	44.14	126.97

EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To
The Board of Directors
Capricorn Food Products India Limited
AH-216, 2nd Street, 8th Main Road,
Shanthi Colony, Anna Nagar
Chennai-600 040

Dear Sirs/ Madam-

- 1) We have examined the attached Restated Consolidated Financial Information (“RCFI”) of Capricorn Food Products India Limited (the “Company”) and its subsidiaries (together referred as the “Group”), which comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as at 30th September 2017, and 31st March 2017, 2016, 2015 and 2014, the Restated Consolidated Summary Statement of Profit and Loss and the Restated Consolidated Summary Statement of Cash Flows for the six-month period ended on 30th September 2017 and each of the years ended 31st March 2017, 2016, 2015 and 2014 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 Division I of Chapter III of the Companies Act, 2013 (“the Act”) read with Rules 4 to 6 of The 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 (“ICDR Regulations”), in pursuance of provisions of Securities and Exchange Board of India Act, 1992

The preparation of the Restated Consolidated Financial Information, including the interim financial information mentioned in paragraph 4 below, is the responsibility of the Management of the Company for the purpose set out in paragraph 10 below. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated 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 3rd October 2017 in connection with the proposed issue of equity shares of the Company; and
 - b) the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI (“The Guidance Note”)
- 3) These Restated Consolidated Financial Information have been compiled by the Management from the audited consolidated financial statements as at and for the six-month ended 30th September 2017, and as at and for the years ended 31st March 2017, 2016, 2015 and 2014, which have been approved by Board of Directors at their meetings held on 12th January 2018, 27th September 2017, 21st September 2016, 25th August, 2015, and 25th August 2014, respectively.
- 4) We have also examined the consolidated financial statements of the Group for the period from 1st April 2017 to 30th September 2017, prepared and approved by the Board of Directors in their meeting held on 12th January 2018, for the purpose of disclosure in the offer document of the Company and we report that in our opinion and according to the information and explanations given to us, the interim financial statements are in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable and the interim financial information are presented with the Restated Consolidated Financial Information appropriately.

- 5) We did not audit the financial statements of subsidiaries for the years ended 31st March 2016, 2015 and 2014 whose share of total assets, total revenues, and net cash flows and share of Group's net profit/loss, included in the Restated Consolidated Financial Information, for all relevant years is tabulated below:

(₹ Million)

Subsidiary	Audit for the year ended 31st March	Total assets as included in RCFI	Net change in cash and cash equivalent, included in	Total revenue included in RCFI	Share of group's net profit/ loss	Name of Auditor
Gonglu Agro Private Limited	2014	573.66	(122.19)	-	-	S.P. Associates
	2015	1,047.68	67.58	15.11	(18.59)	S.P. Associates
	2016	1,339.39	(39.21)	305.08	(27.87)	S.P. Associates
Fresco Juices Private Limited	2014	12.15	(0.53)	8.51	(3.08)	S.P. Associates
	2015	34.14	0.23	50.68	(0.98)	S.P. Associates
	2016	24.97	0.00	42.10	(17.70)	S.P. Associates

These financial statements have been audited by another firm of Chartered Accountants whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in this Restated Consolidated Financial Information, are based solely on the reports of other auditors.

The financial statements audited by other Auditors, as mentioned above have been restated by the Management and examined by us, and we confirm that the Restated Consolidated Financial Information:

- 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;
 - have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and
 - do not contain any extraordinary 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.
- 6) Based on our examination in accordance with the requirements of Section 26 of Division I of Chapter III of the Act read with Rules 4 to 6 of The Companies (Prospectus and Allotment of Securities) Rules, 2014, the ICDR Regulations and the Guidance Note, we report that:
- the Restated Consolidated Summary Statement of Assets and Liabilities of the Group as at 30th September 2017, and 31st March 2017, 2016, 2015 and 2014 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV – Summary Statement of Adjustments to the Audited Consolidated Financial Statements
 - the Restated Consolidated Summary Statement of Profit and Loss of the Group for the six-month period ended 30th September 2017 and each of the years ended 31st March 2017, 2016, 2015 and 2014 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion are appropriate and more fully described in Annexure IV- Summary Statement of Adjustments to the Audited Consolidated Financial Statements
 - the Restated Consolidated Summary Statement of Cash Flows of the Group for the six-month period ended 30th September 2017 and each of the years ended 31st March 2017, 2016, 2015 and 2014 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion are appropriate and more fully described in Annexure IV – Summary Statement of Adjustments to the Audited Consolidated Financial Statements
 - based on the above, and according to the information and explanations given to us, we further report that the Restated Consolidated Financial Information:
 - 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;
- iii) do not contain any extraordinary 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; and

There are no qualifications in the Auditor's reports on the audited consolidated financial statements of the Company as at and for the six -month period ended 30th September 2017, and as at and for the years ended 31st March 2017, 2016, 2015 and 2014 which require any adjustments to the Restated Consolidated Financial Information.

Report on other matters or comments in the Annexure to the Independent Auditor's Report on the financial statements of the Company for the six-month period ended 30th September 2017 and for the years ended 31st March 2017, 2016, 2015 and 2014, which do not require any corrective adjustment in the Restated Consolidated Financial Information are mentioned in Note D – 'Non Adjusting Items' under Annexure IV.

- 7) We have also examined the following Restated Consolidated Financial Information of the Group set out in the Annexure prepared by the Management and approved by the Board of Directors on 11th December 2017, for the six -month period ended 30th September 2017, and for the years ended 31st March 2017, 2016, 2015, and 2014:
- i. Summary Statement of Adjustments to the Restated Consolidated Financial Information, included in Annexure IV
 - ii. Significant Accounting Policies and Other Explanatory Information to Restated Consolidated Financial Information, included in Annexure V
 - iii. Restated Consolidated Summary Statement of Share Capital, included in Annexure VI
 - iv. Restated Consolidated Summary Statement of Reserve and Surplus, included in Annexure VII
 - v. Restated Consolidated Summary Statement of Long-Term Borrowings, Short-Term Borrowings, and Current Maturities of Long Term Borrowings, included in Annexure VIII
 - vi. Restated Consolidated Summary Statement of Deferred Tax Liabilities (Net), included in Annexure IX
 - vii. Restated Consolidated Summary Statement of Long-Term Provisions, included in Annexure X
 - viii. Restated Consolidated Summary Statement of and Trade Payables, included in Annexure XI
 - ix. Restated Consolidated Summary Statement of Other Current Liabilities and Short-Term Provisions, included in Annexures XII A and XII B, respectively
 - x. Restated Consolidated Summary Statement of Property, Plant and Equipment, included in Annexure XIII
 - xi. Restated Consolidated Summary Statement of Non-Current Investments, included in Annexure XIV
 - xii. Restated Consolidated Summary Statement of Long-Term Loans and Advances and Other Non-Current Assets, included in Annexures XV A and XV B, respectively
 - xiii. Restated Consolidated Summary Statement of Inventories, Trade Receivables and Cash and Bank balances, included in Annexures XVI A, XVI B and XVI C, respectively
 - xiv. Restated Consolidated Summary Statement of Short-Term Loans and Advances and Other Current Assets, included in Annexures XVII A and XVII B, respectively
 - xv. Restated Consolidated Summary Statement of Revenue from Operations, included in Annexure XVIII A
 - xvi. Restated Consolidated Summary Statement of Other Income, included in Annexure XVIII B
 - xvii. Restated Consolidated Summary Statement of Expenses, included in Annexures XIX A-H
 - xviii. Restated Consolidated Summary Statement of Accounting Ratios, included in Annexure XX
 - xix. Restated Consolidated Summary Statement of Capitalisation, included in Annexure XXI
 - xx. Restated Consolidated Summary Statement of Contingent Liabilities and Capital Commitments, included in Annexure XXII
 - xxi. Restated Consolidated Summary Statement of Other notes, included in Annexure XXIII
 - xxii. Restated Consolidated Summary Statement of Related Party Transactions, included in Annexure XXIV
 - xxiii. Restated Consolidated Summary Statement of Dividend, included in Annexure XXV
 - xxiv. Restated Consolidated Summary Statement of Earnings per Share, included in Annexure XXVI

According to the information and explanations given to us, in our opinion, the Restated Consolidated Financial Information and other restated consolidated financial information contained in Annexures IV to XXVI accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Division I of Chapter III of The Companies Act, 2013 read with Rules 4 to 6 of The Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

- 8) This report should not in any way be construed as 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.
- 9) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 10) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, the BSE Limited, National Stock Exchange of India Ltd. and Registrar of Companies, Chennai in connection with the proposed initial public offering 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 R. Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

GOKUL S DIXIT

Partner
Membership Number: 209464
Place: Chennai
Date: 2nd February 2018

Annexure I: Restated Consolidated Summary Statement of Assets and Liabilities:

(₹ Million)

Particulars	Annexure	As at				
		30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
I. EQUITY AND LIABILITIES:-						
(1) Shareholders' funds						
Share capital	VI	290.00	290.00	290.00	290.00	290.00
Reserves and surplus	VII	2,019.22	1,876.13	1,646.09	1,499.93	1,398.83
		2,309.22	2,166.13	1,936.09	1,789.93	1,688.83
(2) Non-current liabilities						
Long-term borrowings	VIII	133.55	204.23	402.55	594.68	300.86
Deferred tax liabilities (Net)	IX	194.59	178.48	181.69	155.41	111.45
Long-term provisions	X	7.75	5.58	1.73	1.73	1.73
		335.89	388.30	585.96	751.81	414.03
(3) Current liabilities						
Short-term borrowings	VIII	2,336.13	2,134.58	1,839.94	1,631.75	1,547.56
Trade payables	XI	669.87	671.34	581.00	548.36	289.79
Current maturities of long-term borrowings	VIII	134.30	157.42	189.63	197.51	105.52
Other current liabilities	XII A	188.87	232.50	241.32	208.97	213.67
Short-term provisions	XII B	180.29	133.94	81.87	73.88	68.28
		3,509.46	3,329.78	2,933.75	2,660.47	2,224.83
Total equity and liabilities		6,154.57	5,884.21	5,455.81	5,202.20	4,327.69
II. ASSETS						
(1) Non-current assets						
Fixed assets						
i) Property plant and equipment	XIII	2,350.81	2,270.94	2,089.34	1,972.32	1,154.69
ii) Capital work-in-progress		-	98.62	191.53	154.14	472.30
Non-current investments	XIV	-	-	0.45	0.45	0.45
Long-term loans and advances	XV A	31.72	26.99	13.22	10.99	19.20
Other non-current assets	XV B	0.75	5.62	46.45	39.13	120.41
		2,383.28	2,402.17	2,340.99	2,177.03	1,767.05
(2) Current assets						
Inventories	XVI A	2,385.96	1,983.32	1,635.57	1,764.68	1,414.98
Trade receivables	XVI B	828.36	811.59	839.31	692.44	650.50
Cash and bank balances	XVI C	283.84	264.68	216.78	215.43	225.65
Short-term loans and advances	XVII A	208.30	336.59	316.07	235.98	183.52
Other current assets	XVII B	64.83	85.86	107.09	116.64	85.99
		3,771.29	3,482.04	3,114.82	3,025.17	2,560.64
Total assets		6,154.57	5,884.21	5,455.81	5,202.20	4,327.69

Note:-

The above statement should be read with the Summary Statement of Adjustments to the Audited Consolidated Financial Statements in Annexure IV, the Restated Consolidated Summary Statement of Cash Flow in Annexure III and Significant Accounting Policies and Other Explanatory Information in Annexure V.

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

GOKUL S DIXIT
Partner
Membership No: 209464

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure II – Restated Consolidated Summary Statement of Profit and Loss

(₹ Million)

Particulars	Annexure No.	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014
III. INCOME						
Revenue from operations	XVIII A	2,350.53	4,527.30	4,301.30	3,842.15	3,085.65
Other income	XVIII B	8.34	80.56	29.85	43.09	56.66
Total		2,358.87	4,607.86	4,331.15	3,885.24	3,142.31
IV. EXPENDITURE						
Cost of materials consumed	XIX A	1,507.44	2,870.46	2,214.79	2,248.65	1,570.93
Purchases of stock-in-trade	XIX B	268.87	309.22	448.61	432.28	458.27
Changes in inventories of finished goods	XIX C	(379.70)	(423.50)	150.61	(291.20)	(92.19)
Employee benefit expenses	XIX D	81.85	155.26	141.33	130.34	97.91
Manufacturing expenses	XIX E	224.93	510.71	332.87	417.09	329.84
Administrative and selling expenses	XIX F	188.68	353.05	293.31	330.31	335.40
Total		1,892.06	3,775.20	3,581.52	3,267.46	2,700.15
V. EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION		466.81	832.66	749.63	617.78	442.16
Finance costs	XIX G	125.54	302.83	332.35	310.82	179.43
Depreciation	XIX H	103.11	192.31	172.99	149.91	114.63
VI. PROFIT BEFORE TAX		238.16	337.52	244.30	157.05	148.11
VII. TAX EXPENSE						
(1) Current tax		58.82	88.24	61.42	36.94	24.76
(2) Deferred tax (asset)/liability		16.11	(3.21)	26.28	43.96	17.35
(3) MAT credit availed		-	-	-	(24.94)	(18.71)
(4) MAT credit utilised		20.14	22.45	10.43	-	-
VIII. NET PROFIT/(LOSS) FOR THE PERIOD		143.09	230.04	146.16	101.10	124.70

Note:-

The above statement should be read with the Summary Statement of Adjustments to the Audited Consolidated Financial Statements in Annexure IV, the Restated Consolidated Summary Statement of Cash Flow in Annexure III and Significant Accounting Policies and Other Explanatory Information in Annexure V.

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

GOKUL S DIXIT
Partner
Membership No: 209464

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure III – Restated Consolidated Summary Statement of Cash Flow

(₹ Million)

Particulars	Six-month period ended 30th September 2017	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2015	Year ended 31st March 2014
Profit before tax	238.16	337.52	244.30	157.05	148.11
Adjustments					
Depreciation	103.11	192.31	172.99	149.91	114.63
Interest income	(6.95)	(15.92)	(14.80)	(31.84)	(17.47)
Interest and finance charges	125.54	302.83	332.35	310.82	179.43
Profit on sale of asset (Net)	0.63	(0.89)	0.06	-	(33.70)
Profit on sale of investment	-	(0.15)	-	-	-
Operating Profit before working capital changes	460.49	815.71	734.89	585.94	390.99
Adjustments for Changes in Working Capital:					
(Increase)/ decrease in trade receivables	(16.78)	27.72	(146.86)	(41.95)	(244.30)
(Increase)/ decrease in short-term loans and advances	128.30	(20.53)	(80.09)	(52.46)	(58.14)
(Increase)/ decrease in long-term loans and advances	(4.73)	(13.77)	(2.23)	8.21	(8.53)
(Increase)/ decrease in other current assets	21.03	21.23	9.55	(30.65)	(15.13)
(Increase)/ decrease in inventories	(402.64)	(347.75)	129.11	(349.69)	(71.41)
Increase/(decrease) in other current liabilities	(43.63)	(8.82)	32.35	(4.71)	(13.27)
Increase/(decrease) in short-term provisions	46.35	52.07	7.99	5.60	12.76
Increase/(decrease) in long-term provisions	2.16	3.86	-	-	(3.76)
Increase/(decrease) in trade and other payables	(1.47)	90.34	32.64	258.57	154.83
	(271.40)	(195.64)	(17.54)	(207.08)	(246.94)
Cash Generated from Operations	189.08	620.07	717.35	378.86	144.05
Income tax paid (Net)	(78.96)	(110.69)	(71.85)	(11.99)	(3.53)
A Net cash flow - operating activities	110.12	509.38	645.50	366.87	140.52
Purchase of fixed assets	(85.32)	(286.83)	(328.82)	(649.39)	(685.48)
(Increase)/ decrease in Other Non-current assets	4.87	40.83	(7.33)	81.29	(120.41)
(Investment)/ refund of margin money deposit	63.87	(47.02)	(7.15)	(13.27)	(136.98)
Sale of fixed assets	0.32	6.72	1.36	-	36.10
Proceeds from sale of Investment	-	0.60	-	-	-
(Increase)/ decrease in non-current assets	-	0.00	-	-	-
Interest Received	6.95	15.92	14.80	31.84	17.47
B Net cash flow - investing activities	(9.29)	(269.79)	(327.13)	(549.54)	(889.31)
Proceeds from issue of share capital	-	-	-	-	540.00
Net proceeds/ (repayment) of borrowings	107.74	64.12	8.18	470.00	382.42
Interest and Finance charges paid	(125.54)	(302.83)	(332.35)	(310.82)	(179.43)
C Net cash flow - financing activities	(17.80)	(238.72)	(324.17)	159.18	742.99
Net change in Cash and Cash Equivalent (A+B+C)	83.03	0.88	(5.80)	(23.49)	(5.80)
Cash and Cash Equivalent, beginning of period	7.08	6.21	12.01	35.49	41.29
Cash and Cash Equivalent, end of period	90.11	7.08	6.21	12.01	35.49

Note:

- The above statement should be read with the notes on adjustments for Restated Consolidated Summary Financial Information appearing in Annexure IV and Significant Accounting Policies and Other Explanatory Information as appearing in Annexure V.
- The above cash flow statement has been prepared under indirect method as per Accounting Standard (AS-3) on "cash flow statement" prescribed in Companies (Accounting Standard) Rules, 2006, which continues to apply under Section 133 of Companies Act, 2013 ("The Act") read with Companies (Accounting Standard) Rules.
- Previous year figures have been regrouped /rearranged wherever considered necessary, to make them complete.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

As per our report of even date attached
For R.Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

GOKUL S DIXIT
Partner

CHAIRMAN AND MANAGING DIRECTOR

RAHOUL JAIN
(DIN-00004046)

Membership No:209464



WHOLETIME DIRECTOR

SHUCHI JAIN
(DIN-00013870)

CHIEF FINANCIAL OFFICER

S.RAMESH NARAYANAN

Place: Chennai
Date: 2nd February 2018

COMPANY SECRETARY

MYTHILI GIRISH
(M.NO-ACS9029)

Annexure IV – Summary Statement of Adjustments to Audited Consolidated Financial Statements

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Profit after tax as per audited consolidated financial statements	129.82	178.78	190.77	133.63	130.92
<u>A: Material adjustment:</u>					
APEDA subsidy (note ii)	-	15.13	(1.23)	(16.64)	(0.74)
Export entitlement reversal (note iii)	-	4.27	(4.27)	-	-
Government capital subsidy reversal (note iv)	-	25.00	(25.00)	-	-
Import procurement costs of fresh juices (note v)	-	-	(10.41)	10.41	-
Duty drawback (notes vi)	-	3.07	2.65	(8.01)	1.26
Forward contract (note vii)	-	5.48	(0.95)	8.91	(15.17)
Stock reserve (note viii)	-	-	6.64	(6.64)	-
Depreciation (note ix)	(1.26)	(10.98)	(2.52)	(24.99)	2.48
Interest on credit availed from related party (note x)	-	11.99	(3.51)	(4.86)	(3.62)
Profit / (loss) on sale of fixed assets (note ix)	(0.17)	0.17	(0.06)	-	-
Total (A)	(1.42)	54.13	(38.65)	(41.83)	(15.80)
<u>B: Adjustment for Deferred Tax, Income Tax and MAT</u>					
Deferred tax expense/credit on Material adjustments above	(19.68)	21.55	(1.41)	6.38	(6.69)
Provision of Income tax	17.72	(2.60)	7.82	6.51	10.27
MAT credit as per Section 115JAA of Income Tax Act	16.67	(21.82)	(12.38)	(3.59)	6.00
Total (B)	14.70	(2.87)	(5.96)	9.30	9.58
Total Adjustments (A+B)	13.28	51.25	(44.62)	(32.53)	(6.22)
Profit after tax as per Restated Consolidated Financial Information	143.09	230.04	146.16	101.10	124.70

The above table does not contain impact of regrouping/reclassification done in accordance with the requirement of Schedule III to the Companies Act, 2013. The above table should be read with notes on adjustments for Restated Consolidated Summary Statement of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flow.

A. Material Adjustment

- Revenue from product sales and closing stock of finished goods for years ended 31st March 2014, 2015 and 2016 have been restated to disclose gross sales value and gross finished goods value, respectively, including excise duty paid or payable. Such excise duty of sales has also been disclosed as deduction for computation of Revenue from operations. The corresponding excise duty on finished goods is recorded as a manufacturing expense in the respective accounting years. There is no impact on the profit or loss of the respective years on account of such restatement.
- Income from duty drawback and Agricultural and Processed Food Products Export Development Authority (APEDA) subsidy has been adjusted for years upto 31st March 2014 to comply with Accrual principle of accounting. In cases where the receipt of income pertains to a period prior to 1st April 2013, the same has been directly adjusted in the opening reserves as at 1st April 2013.
- Exports entitlement was accrued as income by Gonglu Agro Private Limited, a wholly-owned subsidiary, during the year ended 31st March 2016 and reversed during the year ended 31st March 2017 due to its non-recoverability. This adjustment has been effected in the respective accounting years.
- Government capital subsidy income received by Gonglu Agro Private Limited has been recognized in the Consolidated Statement of Profit and Loss for the year ended 31st March 2016, however, this has been reversed and adjusted to reduce the Gross block of fixed assets for the year ended 31st March 2017. The restatement adjustment has been made for reversal of income for the year ended 31st March 2016 itself.
- Pursuant to a distribution agreement with a third party by Fresco Juices Private Limited, a wholly-owned subsidiary, purchase costs and incidental expenses relating to an import procurement of fruit juices was

recognized during the year ended 31st March 2015. As a result, the same was written back as a prior period income in the year 2015-16. This has been now been restated in the respective accounting years.

- vi. Since the Company is only eligible for duty drawback of 0.15% of FOB value of qualifying exports, any duty drawback accounted as income, in excess of such eligibility, has been reversed for years ended 31st March 2015 and 2016. We are informed that there are no such excess incomes requiring reversals for the years ended 31st March 2013 and 31st March 2014.
- vii. Gain or loss on forward contracts has been accounted for the proportionate contract period in each financial year on the basis of actual past or subsequent realization, arising from cancellation or expiry of such contract.
- viii. Stock reserve, representing the profit component of closing stock of finished goods, arising from sale of products by Gonglu Agro Private Limited to the Company has been adjusted for in the year ended 31st March 2015 and reversed in the following accounting period.
- ix. The Company made a change in its accounting policy to change the method of computation of depreciation on fixed assets from written-down value (WDV) to straight-line method (SLM) with effect from 1st April 2014, and also simultaneously adopted the estimated useful life corresponding with the rates of depreciation prescribed under Schedule II of Companies Act, 2013. The retrospective effect of such change on the net book value of fixed assets up to 31st March 2012 has been adjusted in the restated Depreciation Reserves for the year ended 31st March 2013. Subsequently, the revised depreciation has been computed on such carried forward net book value of fixed assets for each successive accounting period up to the year ended 31st March 2017 and six-month period ended 30th September 2017.
- x. Interest on loan availed from a company in which Directors are interested, which had been cumulatively charged to the Statement of Profit and Loss for the year ended 31st March 2017 has been restated to account for interest expenses in the respective accounting years, viz. years ended 31st March 2014, 2015 and 2016.

B. Adjustment for Deferred Tax, Income Tax and MAT

- i. Deferred tax and Minimum Alternate Tax for each year has been restated on the basis of adjustments made in paragraph A. above, and as per the actual timing differences arising on the basis of Income tax returns filed by the Company
- ii. Deferred tax assets and liabilities for the years ended 31st March 2014, 2015 and 2016 have been restated based on the computation as per balance sheet approach, instead of the previously used profit/loss methodology.
- iii. Based on the above adjustments and restatements, provision for income tax has been restated in the respective years.

C. Material regrouping

Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company as at and for the six-month period ended 30th September 2017, and as at and for the years ended 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014, prepared in accordance with Schedule III of the Companies Act, 2013 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).

D. Restatement adjustment made in the Restated Consolidated Summary Statements of Reserves and Surplus to the balance as at 1st April 2013 :

(₹ Million)	
Particulars	31st March 2013
Profit after tax as per audited financial statements	101.24
<u>A: Material adjustment:</u>	
APEDA subsidy (note ii)	3.60
Adjustment of APEDA subsidy included in freight (note ii)	(2.10)
Duty drawback (notes vi)	1.02
Forward contract (note vii)	11.04
Depreciation (note ix)	223.20
Profit / (loss) on sale of fixed assets (note ix)	(0.10)
Total (A)	236.67
<u>B: Adjustment for Deferred Tax, Income Tax and MAT</u>	
Deferred tax expense/ credit on Material adjustments above	(63.54)
Provision of Income tax	(57.57)
MAT credit as per Section 115JAA of Income Tax Act	37.15
Total (B)	(83.96)
Total Adjustments (A+B)	152.70
Profit after tax as per Restated Standalone Financial Information for the year ended 31st March 2013	253.94
Opening Surplus in Statement of Profit and Loss as per Restated Consolidated Financial Information as at 1st April 2013	824.13

Annexure V - Significant Accounting Policies and Other Explanatory Information

A Significant Accounting Policies:

The 'Restated Consolidated Summary Statement of the Assets and Liabilities' in Annexure I of the Group as at 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014 the 'Restated Consolidated Summary Statement of Profits and Loss' in Annexure II and the 'Restated Consolidated Summary Statement of Cash Flows' in Annexure III for years ended 31st March 2017, 31st March 2016, 31st March 2015, and 31st March 2014 along with Annexure IV to XXVI (collectively referred to as 'Restated Consolidated Financial Information') have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Holding Company with the Securities and Exchange Board of India ('SEBI') in connection with the proposed Initial Public Offering (here in after referred to as 'IPO').

The Restated Consolidated Financial Information has been prepared by applying necessary adjustments to the Consolidated Summary Financial Information ('Financial Statements') of the Group. The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ("The Act") read with Companies (Accounting Standards) Amendment Rules, 2016 (here in after referred as "The Rules") and the relevant provisions of The Act, to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group for all the years presented and are consistent.

The Restated Consolidated Financial Information of the Company have been prepared using presentation and disclosure requirements and comply in all material respects with the requirements of Schedule III to the Companies Act, 2013, and Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI, as amended from time to time.

With effect from 1 April 2014, Schedule III notified under the Act, has become applicable to the Group for the preparation and presentation of its Restated Consolidated Financial Information. Accordingly, previous years' figures have been regrouped/reclassified wherever applicable.

These Restated Consolidated Financial Information have been prepared by the Company to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of section 26 of Schedule III to the Companies Act, 2013/ Revised Schedule VI to the Companies Act, 1956, as applicable, read with rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, ("the SEBI Guidelines") issued by SEBI on August 26, 2009 ('the Regulations') as amended time to time.

Appropriate re-classifications/ adjustments have been made in the Restated Consolidated Summary Financial Information wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited Financial Statements of the Group and the requirements of the SEBI Regulations

i) Principles of consolidation

- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 of the ICAI and under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014
- The Consolidated Financial Statements of the Group have been combined on a line- by-line basis by adding together like items of assets, liabilities, income and expenses
- Intra-group balances and intra-group transactions, including unrealized profits from such transactions have been fully eliminated
- As the subsidiaries are part of the Group since their inception, there arises no goodwill or capital reserve
- The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Holding Company, i.e, as at and for the year ended 31st March, 2017
- Following are subsidiary companies included in the Consolidated Financial Statement:

Subsidiary	Country	Ownership %	Date of Incorporation
Gonglu Agro Private Limited	India	100%	17 th April 2013
Fresco Juices Private Limited	India	100%	30 th April 2013

a) Accounting concepts

The financial statements have been prepared in accordance with generally accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 or Companies Act, 1956, as applicable. The statements have been prepared on accrual basis under the historical cost convention.

b) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Restated Consolidated Summary Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

c) Use of estimates

Estimates and assumptions made by management in the preparation of financial statements have a bearing on reported amounts of financial results, assets & liabilities and the disclosure of contingent liabilities. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively.

d) Revenue recognition

Revenue is recognized, and expenditure is accounted for on their accrual. Excise duty recovery from customer is deducted from gross turnover. Revenue from domestic sale is recognized on delivery to the carrier when risk and rewards of ownership is passed on to the customers. Sale of goods in respect of export sales is recognized as and when shipment of goods takes place. Export incentives are accounted on export of goods, when conditions precedents to claims are fulfilled. Duty drawback entitlements under the scheme of Government of India are recognized in the year in which the export of sales is accounted for. Advance license benefits on exports are accounted in the year of utilization.

Government grants are accounted in accordance with Accounting Standard 12 issued by the ICAI. Other items of income are recognized when there is no significant uncertainty as to their measurability or collectability.

e) Property, plant and equipment

Property, plant and equipment are recorded at cost and cost includes appropriate direct and allocated expenses including interest on specified borrowings for acquisition of assets up to the date of commencement of commercial production.

f) Depreciation and amortisation

Depreciation on property, spares, plant and equipment is provided under Straight Line Method based on useful life of the assets and in accordance with Schedule II to Companies Act, 2013 adopting the useful life as specified therein and considering the residual value at 5% of the original cost of the asset. Plant & machinery is depreciated based on the number of days of double shifts worked as prescribed in Schedule II of the Companies Act, 2013. Spares having different useful lives from that of their related plant has been depreciated as per their useful life determined by the management.

Intangible assets are amortized equally over their estimated useful life.

g) Inventories

Raw materials and packing materials are valued at weighted average cost. Finished goods are valued at cost (including applicable overheads and excise duty) or net realizable values, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to complete the sale.

h) Employee benefits

Short-term employee benefits are charged at the undiscounted amount to the Consolidated Statement of Profit and Loss in the year in which related service is rendered. Contributions to defined contribution schemes towards retirement benefits in the form of provident fund for the year are charged to the Consolidated Statement of Profit and Loss as incurred. Liability in respect of gratuity is provided for based on an actuarial valuation in accordance with Accounting Standard 15 issued by the ICAI.

i) Provision, Contingent liabilities and Contingent assets

A provision is created when there is a present obligation as a result of an obligation/ event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for contingent liability is made when there is a possible or a present obligation that may, but probably will not, require immediate outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is very remote, no provision or disclosure is made.

j) Taxes on income

Tax expense comprises the current tax and deferred tax. Current income tax is provided on the taxable income for the period as per the provision of the Income Tax Act, 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

k) Foreign exchange transactions

Transactions in foreign exchange are initially recognized at the rates prevailing on the date of transaction. All monetary assets and liabilities are restated at the balance sheet date using the year-end foreign exchange rate. Resultant exchange difference is recognized as income or expense in the year in which they arise.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes substantial period of time to get ready for its intended use, are capitalized as a part of the cost of such assets, until such time that the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Consolidated Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

m) Impairment of assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Consolidated Statement of Profit and Loss in the year in which an asset is identified as impaired, after considering adjustments if any, already carried out.

n) Earnings per share

The earnings considered in ascertaining earnings per share comprises the net profit after tax. The number of shares used in computing earnings per share is the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

o) Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a 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 Group are disclosed separately.

p) Subsequent events occurring after the balance sheet date

Any significant events or transactions with significant impact in the current year are taken into consideration and the impact of such transactions if quantifiable, is provided for.

q) Classification of current / non-current assets and liabilities

All assets and liabilities are presented as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

r) Cash and cash equivalent

Cash and cash equivalent for the purpose of the Statement of Cash Flows comprise of cash on hand and cash at bank.

s) Investments

Long-term investments are valued at cost and any permanent diminution in the carrying amount is provided for.

Annexure VI - Restated Consolidated Summary Statement of Share Capital

a. Authorised, issued, subscribed and paid-up share capital (₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Authorised					
Equity Shares of Rs.10/- each	300.00	300.00	300.00	300.00	300.00
Issued, Subscribed and Paid-up					
Equity Shares of Rs.10/- each	290.00	290.00	290.00	290.00*	290.00

b. Reconciliation of Number of Equity Shares outstanding at the beginning and end of period (₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
No. of shares outstanding at beginning of period	29.00	29.00	29.00	2.90	2.00
Add: Shares allotted as fully paid-up during the year	-	-	-	-	0.90
Less: Shares bought back during the year	-	-	-	-	-
No. of shares outstanding at end of the period	29.00	29.00	29.00	29.00*	2.90

* One equity share of Face Value of ₹ 100 was sub-divided into 10 equity shares of ₹ 10 each, effective 31st March 2015

c. Terms/Rights attached to equity shares

Each holder of equity shares is entitled to one vote per shares. In the event of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend, however, the same is subject to the approval of the shareholders in the Annual General Meeting.

d. Details of Shareholders holding more than 5% of aggregate shares of the Company (Million shares)

No. of shares outstanding at beginning of period	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014	31st March 2013
Equity shares of ₹10 each fully paid						
Rahoul Jain	10.13	10.13	10.08	10.08	1.01	1.11
% holding	34.93%	34.93%	34.74%	34.74%	34.74%	55.38%
M/s. Mile Stone Private Equity Fund	9.72	9.72	9.72	9.72	0.97	-
% holding	33.53%	33.53%	33.53%	33.53%	33.53%	0.00%
Shuchi Jain	8.87	8.87	8.87	8.87	0.88	0.88
% holding	30.59%	30.59%	30.59%	30.59%	30.52%	44.25%

e. Other details of equity shares for five years immediately preceding 31st March 2017

Allotted as fully paid-up bonus shares:	Nil
Allotted as fully paid-up, pursuant to contracts without payment being received in cash	Nil
Bought back	Nil

Annexure VII - Restated Consolidated Summary Statement of Reserves and Surplus

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Share premium - opening balance	450.00	450.00	450.00	450.00	-
Addition during the year	-	-	-	-	450.00
Share premium - end of the year (A)	450.00	450.00	450.00	450.00	450.00
Opening Surplus in the Statement of Profit and Loss	1,426.13	1,196.09	1,049.93	948.83	824.13
Profit during the year	143.09	230.04	146.16	101.10	124.70
Closing Surplus in Statement of Profit and Loss (B)	1,569.22	1,426.13	1,196.09	1,049.93	948.83
Total reserves and surplus (A+B)	2,019.22	1,876.13	1,646.09	1,499.93	1,398.83

Annexure VIII - Restated Consolidated Summary Statement of Long-term Borrowings, Short-term Borrowings and Current Maturities of Long-term Borrowings

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Term loan from banks (secured)	229.21	285.96	356.79	483.13	330.30
Loans repayable on demand working capital loan from banks (secured)	2,363.69	2,203.06	2,060.94	1,898.84	1,547.56
Vehicle loan from banks (secured)	11.08	5.89	5.06	8.07	11.54
Loan from Directors	-	1.33	9.33	33.89	64.55
Total	2,603.98	2,496.23	2,432.12	2,423.94	1,953.94
Total borrowings represented by :					
- Long-term borrowings	133.55	204.23	402.55	594.68	300.86
- Short-term borrowings	2,336.13	2,134.58	1,839.94	1,631.75	1,547.56
- Current maturities from long-term borrowings	134.30	157.42	189.63	197.51	105.52
Total	2,603.98	2,496.23	2,432.12	2,423.94	1,953.94

The above includes debts due to Promoter/Directors as follows:

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Loan from Directors	-	1.33	9.33	33.89	64.55

- Except for the above, there are no other amounts due to entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Principal Terms and Conditions of Term loan from banks

(₹ Million)

Bank	Outstanding as at 30th September 2017	Rate of Interest	Repayment Instalments as at 30th September 2017
Indian Bank	17.75	12.25%	44
Citi Bank	11.34	10.00%	48
State Bank of India	30.68	13.40%	30
State Bank of India	23.16	10.60%	60
ICICI Bank	21.49	5.27%	18
ICICI Bank	40.88	6.20%	47
Axis bank	71.49	10.75%	16
Axis bank	11.48	10.75%	6
Axis bank	0.95	10.75%	1
Total	229.21		

A. Term Loans of the Holding Company are secured by:

Hypothecation of entire fixed assets of the company including land, Factory Building and Plant & Machinery situated at Sathyavedu, Andhra Pradesh and Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu.

PRIMARY SECURITY:

- 4 acres, factory land of the company situated at Sathyavedu, Andhra Pradesh (First charge to State Bank of India)
- 1.15 acres, factory land of a Director situated at Sathyavedu, Andhra Pradesh (First charge to State Bank of India)
- 9.20 acres, factory land of the company situated at Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu (First charge to ICICI Bank)
- 10.155 acres, factory land of the company situated at Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu (First charge to Indian Bank)

COLLATERAL SECURITY:

- a) first paripassu charge on 6.00 acres of vacant land situated in Bannihalli Village, Kaveripattinam, Krishnagiri, Tamilnadu belonging to the Company
- b) first paripassu charge on 69.17 acres of land with plantation situated at Satyavedu belonging to a Director
- c) first paripassu charge on 1.92 acres of farm land with plantation at Satyavedu belonging to a Director
- d) first paripassu charge on 16.21 acres of farm land with plantation at Satyavedu belonging to a Director
- e) first paripassu charge on 18.90 acres of land situated at Satyavedu belonging to a Director
- f) first paripassu charge on 0.41 acres of land situated at Satyavedu belonging to a Director
- g) first paripassu charge on 6.48 acres of land situated at Satyavedu belonging to a Director
- h) first paripassu charge on 12,000 square feet out of 64.10 cents situated at Madhavaram (plot E) belonging to a Director
- i) first paripassu charge on 52.34 cents vacant housing plots situated at Semmanchery, Chengalpet District belonging to a Director
- j) first pari-passu charge on two residential flats situated at Medavakkam belonging to Directors
- k) personal guarantee of two Directors

B. Credit facilities of Gonglu Agro Private Limited are secured by:

PRIMARY SECURITY:

(First charge to Term Loan lenders and second paripassu charge to working capital lenders)

- a) Second paripassu charge by way of hypothecation of the entire current assets of the company, both present and future
- b) First charge on all the movable fixed assets of the company acquired out of Term Loans (Aseptic & IQF Plants) located at the company's factory at Jaitapur village, Chandwak Taluk in Nashik district, Maharashtra
- c) First charge by way of equitable mortgage over the entire factory land and building belonging to the company, situated at village Jaitapur, Tal. Chandwad, Dist. Nashik comprising of Gat 207(P), Gat 211 (P) and Gat 213(P) totally admeasuring 17.231 acres.
- d) First charge by way of equitable mortgage over the entire factory land and Building belonging to the holding company, situated at village Jaitapur, Tal. Chandwad, Dist. Nashik, comprising of Gat 213(P) and Gat 211 (P) totally admeasuring 10.675 acres.

COLLATERAL SECURITY :

(First paripassu charge to both Working Capital and Term Loan Lenders)

- a) All that piece and parcel of vacant lands measuring 4 grounds and 2396 sq ft together with the undivided 1/6th share measuring 2176.50 sq ft out of the total passage area measuring 13,059 (i.e) in the 33 common passage, altogether totally measuring 14172.50 sq ft in the A schedule property along with the right in the East passage measuring 64.10 cents being part of A schedule property comprised in SNO 1288/2A to 2K and 1288/3A to 3K and Survey No 1288/1 situated in Madhavaram Village, Thiruvallur District within the registration sub district of Madhavaram and the registration district of North Chennai, belonging to Rahoul Jain.
- b) Equitable mortgage on land measuring an extent of 3.80 acres in survey no 37/1, Konerikuppam village, Kancheepuram Taluk, Kancheepuram District, Chennai situated within the registration district of Kancheepuram and sub registration district of Joint-I, Kancheepuram, belonging to Rahoul Jain.
- c) GAT No. 40/A/2 of land for 0.01 acres at village Jaitapur, Tal, chandwad, Dist., Nashik -423101 in the name of Gonglu Agro Private Limited
- d) Equitable mortgage of all that piece and parcel of lands in Gat No. 211 Village Jaitapur, Tal. Chandwad, Dist. Nashik -423101 for 4.11875 acres and 2.125 acres in the name of Gonglu Agro Private Limited
- e) Flat no 204,205,305,306, FA-2 at Gurukrupa Sankul, FA-204, Second floor, Mumbai-Agra Highway (NH-3), Pimplagaon Baswant, Tal Niphad, Dist. Nashik-422205 for extent of 4747 sq ft in the name of Gonglu Agro Private Limited
- f) Flat no 104,105,106 at Shree parshva Co.op Hoc.Soc. Ltd, Flat no 104, first floor, Kasbe Vani, Tal. Dindori, Dist. Nashik for 2448 sq ft in the name of Gonglu Agro Private Limited

Personal guarantees – Directors

- Rahoul Jain
- Shuchi Jain

Corporate guarantee

- Capricorn Food Products India Limited

Annexure IX – Restated Consolidated Summary Statement of Deferred Tax Liabilities (Net)

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Deferred tax liabilities	194.59	178.48	181.69	155.41	111.45
Total	194.59	178.48	181.69	155.41	111.45

Annexure X – Restated Consolidated Summary Statement of Long-Term Provisions

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Provision for gratuity	7.75	5.58	1.73	1.73	1.73
Total	7.75	5.58	1.73	1.73	1.73

- Current liability portion for gratuity is disclosed in Annexure XII

Annexure XI – Restated Consolidated Summary Statement of Trade Payables

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Dues to Micro, Small and Medium Enterprises	-	-	-	-	-
Dues to others	669.87	671.34	581.00	548.36	289.79
Total	669.87	671.34	581.00	548.36	289.79

- The vendors covered under the Micro, Small and Medium Enterprises Development Act, 2006 have been identified on the basis of information available with the Company and this has been relied upon by the auditors.
- There are no amounts due to promoters, directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XII A – Restated Consolidated Summary Statement of Other Current Liabilities

(₹ Million)

Particulars	30th September	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Advance received from customers	15.85	8.63	13.31	9.79	10.84
Statutory dues payable	34.27	48.40	51.97	81.34	34.52
Interest - free sales tax loan	11.03	12.44	13.04	13.70	14.15
Other accruals	43.35	43.64	26.97	18.53	11.85
Retention money payable	1.45	1.81	1.87	-	-
Current liability portion of loan from Director	0.01	-	-	-	-
Sundry creditors for capital goods	81.12	101.43	118.52	74.68	138.04
Interest accrued and due on short-term borrowings	1.36	1.94	4.11	2.44	0.00
Interest outstanding on buyers' credit	0.42	0.27	0.73	0.85	1.00
Interest on credit availed from related party	-	13.95	10.79	7.63	3.26
Total Other Current Liabilities	188.87	232.50	241.32	208.97	213.67

The above includes amounts due to the entities over which Directors have significant influence:

(₹ Million)

Particulars	30th September	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Interest on credit availed from related party	-	13.95	10.79	7.63	3.26

- Except for the above, there are no other amounts due to promoters, directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XII B – Restated Consolidated Summary Statement of Short-term Provisions

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Provision for income tax	172.04	114.26	76.39	69.34	54.84
Provision for bonus	0.51	0.38	-	-	-
Current liability portion of provision for gratuity	0.20	0.20	-	-	-
Forward contract liability	7.54	19.10	5.48	4.53	13.44
Total Short-term Provisions	180.29	133.94	81.87	73.88	68.28

Annexure XIII – Restated Consolidated Summary Statement of Property, Plant and Equipment

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Gross Block - Tangible Assets					
Land	133.65	115.36	112.03	112.03	56.44
Buildings	1,115.59	1,052.55	879.87	812.44	418.38
Plant & Machinery	1,813.71	1,718.90	1,550.04	1,343.72	889.04
Electrical Fittings	137.00	133.76	115.43	106.04	60.90
Office Equipments	12.40	11.95	10.99	9.65	6.77
Furniture & Fixtures	23.27	23.10	23.04	21.40	14.40
Computers & Accessories	10.91	10.46	9.21	6.99	4.42
Vehicles	50.57	49.99	45.55	46.03	40.42
Total	3,297.11	3,116.06	2,746.17	2,458.32	1,490.78
Accumulated Depreciation - Tangible Assets					
Buildings	151.33	133.36	100.88	73.17	50.46
Plant & Machinery	696.24	621.80	484.97	360.77	251.01
Electrical Fittings	53.74	48.04	36.23	24.60	14.78
Office Equipments	8.93	8.06	6.27	4.47	2.56
Furniture & Fixtures	11.11	10.11	7.96	5.75	3.79
Computers & Accessories	8.76	7.89	5.99	4.19	3.42
Vehicles	17.01	16.24	14.54	13.05	10.07
Total	947.12	845.49	656.83	486.00	336.09
Net Block - Tangible Assets					
Land	133.65	115.36	112.03	112.03	56.44
Buildings	964.26	919.19	778.99	739.27	367.92
Plant & Machinery	1,117.47	1,097.10	1,065.07	982.95	638.03
Electrical Fittings	83.25	85.72	79.21	81.44	46.11
Office Equipments	3.47	3.89	4.73	5.19	4.21
Furniture & Fixtures	12.17	12.98	15.08	15.64	10.62
Computers & Accessories	2.15	2.57	3.22	2.81	1.00
Vehicles	33.56	33.75	31.01	32.99	30.36
Total	2,350.81	2,270.94	2,089.34	1,972.32	1,154.69

Annexure XIV – Restated Consolidated Summary Statement of Non-Current Investments

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Shuchi Beverages Limited	-	-	0.45	0.45	0.45
Total	-	-	0.45	0.45	0.45

- 45,000 equity shares (₹10 face value) of Shuchi Beverages Limited were sold to a Director during 2016-17
- The Company is holding 2,500 equity shares of ₹ 10 each in Pristine Mega Food Park Private Limited at a cost of ₹ Nil (P.Y. 2016, 2015 and 2014: ₹ Nil)

Annexure XV A – Restated Consolidated Summary Statement of Long-term Loans and Advances

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Electricity Deposits	13.87	12.94	10.97	9.67	9.98
Telephone and internet deposits	0.08	0.08	0.08	0.08	0.08
Rental advance	0.07	0.07	-	-	1.37
Sales tax deposits	0.03	0.03	0.03	0.03	0.03
Other security deposits	1.00	0.88	1.15	1.22	7.75
Deposits with Government agencies against pending appeals	16.68	13.00	1.00	-	-
Total	31.72	26.99	13.22	10.99	19.20

- There are no amounts due from promoters, directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XV B – Restated Consolidated Summary Statement of Other Non-Current Assets

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Advance for project expenses	-	4.62	31.56	29.76	101.21
Preliminary expenses	0.75	1.00	2.23	2.97	1.22
Pre-operative expenses	-	-	12.66	6.39	17.99
Total	0.75	5.62	46.45	39.13	120.41

Annexure XVI A – Restated Consolidated Summary Statement of Inventories

(₹ Million)

Particulars	30th September	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Raw materials	-	9.79	10.40	48.96	-
Packing materials	160.77	128.04	201.10	143.11	133.58
Finished goods	2,225.19	1,845.49	1,424.06	1,572.60	1,281.40
Total	2,385.96	1,983.32	1,635.57	1,764.68	1,414.98

Annexure XVI B – Restated Consolidated Summary Statement of Trade Receivable

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Debts over 6 months due from date of payment	100.22	50.88	63.18	4.33	4.25
Debts over 6 Months from date of payment (unsecured and considered doubtful)	13.58	13.58	-	-	-
Others	800.90	825.42	889.55	883.82	717.72
Less: Provision for doubtful debts	(13.58)	(13.58)	-	-	-
Less: Bills discounted	(72.76)	(64.71)	(113.43)	(195.71)	(71.48)
Total	828.36	811.59	839.31	692.44	650.50

- There are no amounts due from promoters, directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XVI C – Restated Consolidated Summary Statement of Cash and Bank Balances

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Cash and Cash Equivalent					
Cash on hand					
- Cash in Indian Rupees	0.54	1.48	0.67	1.64	1.28
- Cash in foreign currency	0.36	0.26	0.10	0.17	0.48
Balance with scheduled banks in current a/c	-	-	-	-	-
- Indian Rupees	47.53	4.91	5.43	5.00	6.67
- Exchange Earners' Foreign Currency	41.68	0.43	-	5.20	27.07
	90.11	7.08	6.21	12.01	35.49
Deposit accounts - margin money for Letter of credit, Bank Guarantees	193.73	257.60	210.57	203.42	190.15
TOTAL	283.84	264.68	216.78	215.43	225.65

Annexure XVII A - Restated Consolidated Summary Statement of Short-term Loans and Advances

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Advances recoverable in cash or kind for the value to be received					
Staff advances	0.97	0.36	0.66	0.90	0.23
Farmer advances	41.95	66.54	61.60	69.46	-
Advance to suppliers	15.48	64.31	130.49	111.04	95.43
Other advances	1.46	33.99	29.54	-	44.05
Prepaid expenses	11.56	10.23	10.35	8.68	6.08
Sale tax appeal deposits	-	-	1.10	1.34	-
Claims receivable	136.87	161.16	82.33	44.56	37.73
Total	208.30	336.59	316.07	235.98	183.52

Short-term loans and advances include the following debts due from promoter, related parties and other related entities, as follows:

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Relatives of Directors					
RS Jain	-	-	0.05	0.00	0.08
MS Jain	-	10.00	-	10.00	-
Enterprises over which KMP/their relatives exercise significant influence					
Shuchi Beverages Limited	-	5.99	-	0.73	-
MSJ Trade Impex Limited	-	17.50	-	-	-
Kiran Global Chem Limited	-	-	-	-	40.00

- Except for the above, there are no other amounts due from promoters, directors, entities in which the Company has significant influence, Key Managerial Personnel and relatives of Directors.

Annexure XVII B - Restated Consolidated Summary Statement of Other Current Assets

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Minimum alternate tax credit	57.75	77.88	96.26	106.69	83.88
Interest Accrued on Deposits	7.09	7.98	10.83	9.95	2.11
Total	64.83	85.86	107.09	116.64	85.99

Annexure XVIII A – Restated Consolidated Summary Statement of Revenue from Operations

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Export - manufactured products	943.08	1,930.03	1,658.62	1,394.42	1,289.53
Domestic - manufactured products	973.62	1,783.32	1,741.87	1,564.54	1,045.16
Co-packing and traded products	385.59	675.00	795.15	728.63	661.80
Less: Excise duty	(27.91)	(85.46)	(97.45)	(95.81)	(50.42)
Revenue from product sales :	2,274.37	4,302.90	4,098.20	3,591.78	2,946.07
License sales	51.13	89.84	80.88	144.36	70.50
Total	2,325.51	4,392.74	4,179.08	3,736.14	3,016.56
Other Operating Income					
Export incentives	11.08	93.70	49.05	36.50	7.20
Processing and other contract income	13.94	40.86	73.18	69.51	61.89
	25.02	134.56	122.23	106.01	69.09
Total	2,350.53	4,527.30	4,301.30	3,842.15	3,085.65

- Excise duty above for the six-month period ended 30th September 2017 pertains to duties on domestic sales made during the period 1st April 2017 to 30th June 2017, prior to introduction of GST

Annexure XVIII B – Restated Consolidated Summary Statement of Other Income

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Foreign exchange gain, net	1.16	54.09	13.65	-	-
Interest income	6.95	15.92	14.80	31.84	17.47
Profit on sale of fixed assets	-	0.89	-	-	33.70
Profit on sale of investment	-	0.15	-	-	-
Sundry creditor balances written back	0.10	8.46	-	-	-
Miscellaneous income	0.14	1.05	1.39	11.25	5.49
Total	8.34	80.56	29.85	43.09	56.66

Annexure XIX A - Restated Consolidated Summary Statement of Cost of Raw Material and Packing Material Consumed

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Raw material consumption					
Opening stock	9.79	10.40	48.96	-	4.85
Add: Purchases of fruits and vegetables	1,230.12	2,407.42	1,822.45	1,713.72	1,173.22
Less: Closing stock	-	(9.79)	(10.40)	(48.96)	-
	1,239.91	2,408.03	1,861.01	1,664.76	1,178.07
Packing material consumption					
Opening stock	128.04	201.10	143.11	133.58	149.51
Add: Purchases					
Aseptic bags	84.69	138.60	84.12	88.70	72.73
MS barrels/drum	80.70	129.18	102.74	155.73	123.41
OTS cans	51.69	36.56	96.09	178.56	106.45
Others	83.18	85.04	128.82	170.43	74.34
Less: Closing stock	(160.77)	(128.04)	(201.10)	(143.11)	(133.58)
	267.53	462.43	353.78	583.89	392.86
Total	1,507.44	2,870.46	2,214.79	2,248.65	1,570.93

Annexure XIX B - Restated Consolidated Summary Statement of Purchases of Stock-in-trade

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Fruit pulp	257.80	276.68	425.29	396.88	458.27
Others	11.07	32.54	23.32	35.40	-
Total	268.87	309.22	448.61	432.28	458.27

Annexure XIX C- Restated Consolidated Summary Statement of Changes in Finished Goods

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Finished goods at the beginning of the year	1,845.49	1,421.99	1,572.60	1,281.40	1,189.21
Less: Finished goods at the end of the year	(2,225.19)	(1,845.49)	(1,421.99)	(1,572.60)	(1,281.40)
Net (increase)/decrease in inventories	(379.70)	(423.50)	150.61	(291.20)	(92.19)

Annexure XIX D - Restated Consolidated Summary Statement of Employee Benefit Expenses

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Salaries, wages and bonus	62.96	123.67	119.82	109.31	74.09
Directors' remuneration	7.50	15.00	9.60	9.60	9.60
Contribution to provident fund	3.90	6.23	2.68	1.78	1.06
Gratuity	2.16	4.09	-	-	-
Staff Welfare Expenses	5.32	6.27	9.23	9.66	13.16
Total	81.85	155.26	141.33	130.34	97.91

Annexure XIX E - Restated Consolidated Summary Statement of Manufacturing Expenses

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Consumption of stores and consumables	24.23	36.24	9.31	27.99	16.40
Processing and labour charges	134.77	244.34	163.98	194.80	172.33
Power and Fuel	66.64	160.29	134.74	138.40	128.42
Repairs and maintenance - machinery	16.01	35.10	18.31	4.33	5.93
Excise duty on finished goods	(39.31)	(0.07)	(14.49)	28.47	(4.74)
Other manufacturing expenses	22.59	34.80	21.02	23.09	11.49
	224.93	510.71	332.87	417.09	329.84

- Excise duty on finished goods as at 31st March 2017 reversed in six-month period ended 30th September 2017 upon introduction of GST

Annexure XIX F - Restated Consolidated Summary Statement of Administrative and Selling Expenses

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Payment to auditors	0.28	0.65	0.29	0.63	0.14
Advertisement	-	0.02	0.13	0.05	0.14
Business promotion	2.15	0.71	0.20	0.41	5.37
Clearing and forwarding	13.01	48.62	35.01	18.40	15.33
Electricity charges - office	0.54	0.95	0.99	0.49	0.63
Foreign exchange loss , net	-	-	-	9.13	50.87
Freight outward	108.75	174.32	159.68	191.29	177.04
General office maintenance	3.34	3.86	2.81	0.20	2.34
Postage and telegram	1.53	3.90	1.83	1.79	1.54
Printing and stationery	0.94	1.89	2.48	3.35	2.01
Professional and consultancy charges	8.54	15.54	11.95	10.65	18.55
Rates and taxes	2.79	8.95	6.71	5.94	2.62
Rent	1.14	1.42	0.40	1.27	0.72
Repairs and maintenance - building	5.70	3.78	2.41	7.87	4.05
Repairs and maintenance - others	6.66	13.74	12.10	16.96	5.46
Security charges	5.93	12.10	9.48	11.18	6.06
Subscriptions	-	2.04	0.13	0.15	0.79
Communication	1.03	1.56	2.33	2.75	1.90
Travel and conveyance	6.63	14.67	12.65	14.83	17.77
Vehicle insurance and maintenance	2.20	4.99	3.13	4.44	6.47
General insurance	3.15	4.50	3.96	1.27	-
ECGC premium	1.54	3.13	6.84	8.56	4.21
Export inspection	0.33	0.67	1.52	1.71	1.77
Sales commission	0.66	3.90	5.23	3.09	1.20
Discount on sales	8.25	3.69	2.12	10.06	7.54
Bad debts	-	4.23	-	-	-
Freight subsidies written off	2.73	-	-	-	-
Preliminary expenses written off	0.25	1.23	0.72	1.88	0.89
Provision for bad and doubtful debts	-	13.58	-	-	-
Loss on sale of fixed assets	0.63	-	0.06	-	-
Interest paid to statutory authorities	0.01	4.24	-	-	-
Miscellaneous expenses	-	0.16	8.13	1.13	0.00
Total	188.68	353.05	293.31	330.31	335.40

Annexure XIX G - Restated Consolidated Summary Statement of Finance Cost

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Interest Cost					
Working capital	90.70	217.05	239.24	199.38	117.19
Term loan	14.62	46.73	55.26	59.39	32.23
Others	1.64	3.51	3.51	4.86	3.62
Bank charges	18.59	35.54	34.34	47.19	26.39
Total	125.54	302.83	332.35	310.82	179.43

Annexure XIX H - Restated Consolidated Summary Statement of Depreciation

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Depreciation	103.11	192.31	172.99	149.91	114.63

Annexure XX – Restated Consolidated Summary Statement of Accounting Ratios

(Shares in Million; ₹ Million)

Particulars	30th September 2017 #	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Face value per equity share (₹)	10.00	10.00	10.00	10.00	100.00
Adjusted Earnings Per Share (₹)					
- Adjusted Basic Earnings Per Share (A/D)	4.91	7.90	4.96	3.38	42.65
- Adjusted Diluted Earnings Per Share (B/E)	4.91	7.90	4.96	3.38	42.65
Return on Networth (A/F)	6.17%	10.58%	7.44%	5.49%	7.32%
Net asset value per share (₹) (F/C)	79.60	74.66	66.68	61.62	581.93
<i>Workings:</i>					
A: Restated consolidated profit after tax attributable to equity shareholders	142.34	229.04	143.93	98.12	123.48
B: Adjusted restated consolidated profit after tax attributable to equity shareholders	142.34	229.04	143.93	98.12	123.48
C: Equity shares outstanding, end of period (No.)	29.00	29.00	29.00	29.00	2.90
D: Weighted average number of equity shares outstanding for calculation of Basic EPS	29.00	29.00	29.00	29.00	2.90
E: Adjusted weighted average number of equity shares outstanding for calculation of Diluted EPS	29.00	29.00	29.00	29.00	2.90
F: Restated Networth, end of period	2,308.47	2,165.13	1,933.86	1,786.95	1,687.61

Figures are not annualized

i. The ratios have been computed as follows:

(a)	Adjusted Earnings Per Share (Basic)	=	$\frac{\text{A: Restated consolidated profit after tax attributable to equity shareholders}}{\text{D: Weighted average number of equity shares outstanding}}$
(b)	Adjusted Earnings Per Share (Diluted)	=	$\frac{\text{B: Adjusted restated consolidated profit after tax attributable to equity shareholders}}{\text{E: Adjusted weighted average number of equity shares outstanding}}$
(c)	Return on Networth	=	$\frac{\text{A: Restated consolidated profit after tax attributable to equity shareholders}}{\text{F: Restated Networth, end of period}}$
(d)	Net Asset Value Per Share	=	$\frac{\text{F: Restated Networth, end of period}}{\text{C: Equity shares outstanding, end of period}}$

- ii. Restated/Adjusted restated consolidated profit after tax mentioned in (i)(a)(b) = Restated net profit after tax – Unamortised preliminary expenses (included in Annexure XV B – Other current assets)
- iii. Networth for ratios mentioned in Note (i)(c) above = Total paid-up share capital + Reserves and surplus (including Securities premium account and Surplus in the Restated Consolidated Summary Statement of Profit and Loss) - Unamortised preliminary expenses (included in Annexure XV B – Other current assets)
- iv. Weighted average number of shares represents the number of equity shares outstanding at the beginning of the period, adjusted by the number of equity shares issued during year, multiplied by the time weight factor. The time weight factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

Annexure XXI – Restated Consolidated Summary Statement of Capitalisation

(₹ Million)

Particulars	Pre-issue 30th September 2017	As adjusted for issue (Refer Note 1 below)
Short-term borrowings	2,336.13	
Long-term borrowings	267.85	
Total borrowings	2,603.98	
Share capital	290.00	
Reserves and surplus	2,019.22	
Total Shareholders Funds	2,309.22	
Long-term borrowings / Shareholders' funds	0.12	

1. The corresponding figures (as adjusted for issue) are not determinable at this stage pending the completion of the book building process and hence have not been furnished
2. Short-term borrowings are considered as borrowings due within 12 months from the balance sheet date
3. Long-term borrowings are considered as other than short-term borrowings, as defined above and also include current maturities of long-term borrowings

Annexure XXII – Restated Consolidated Summary Statement of Contingent Liabilities and Capital Commitments

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Demand from Income Tax authorities	506.48	371.28	226.67	41.31	35.03
Excise duty demand	62.84	1.35	-	-	-
Tamil Nadu Value Added Tax demand	96.41	85.63	85.63	-	-
Agricultural marketing committee	85.62	85.62	85.62	-	-
Andhra Pradesh Value Added Tax demand	15.68	15.68	15.68	15.53	15.53
Creditor claim under litigation	4.54	4.54	4.54	4.54	4.54
Claim by Triguni Food Private Limited	5.00	5.00	5.00	5.00	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	92.49	15.00	5.74	17.37	-
Letters of credit issued by bank on behalf of the Company	156.52	247.86	234.17	207.31	-
Export obligations remaining to be fulfilled in respect of EPCG licenses	1.42	5.40	-	-	-
Bank guarantees	209.09	201.60	0.35	2.50	-
Corporate guarantee extended to bank in respect of loan to Gonglu Agro Private Limited	660.70	689.20	689.20	689.20	-
Corporate guarantee extended to bank in respect of loan to Company in which Director is interested	-	200.00	200.00	200.00	200.00
Additional Central Sales Tax payable due to non-receipt of C-Form from customers	10.32	56.30	7.44	0.32	-

- Additional Central Sales Tax payable due to non-receipt of C-Form from customers represents current status of pending forms of the respective prior year

Annexure XXIII – Restated Consolidated Summary Statement of Other Notes

A. Value of imported and indigenous material consumed and the percentage of each of the total consumption

(₹ Million)

Particulars	30th September 2017		31st March 2017		31st March 2016		31st March 2015		31st March 2014	
	(%)	Value	(%)	Value	(%)	Value	(%)	Value	(%)	Value
Imported	-	-	-	-	-	-	-	-	-	-
Indigenous	100.00%	1,239.91	100.00%	2,408.03	100.00%	1,861.01	100.00%	1,664.76	100.00%	1,178.07
Total	100.00%	1,239.91	100.00%	2,408.03	100.00%	1,861.01	100.00%	1,664.76	100.00%	1,178.07

B. Details of opening and closing stock, production and sales of goods

- Six-month period ended 30th September 2017:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	18,294	877.81	8,377	227.82	27,602	27,149	1,520.23	27,124	1,364.18

- Year ended 31st March 2017:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	19,054	1,023.75	13,357	708.36	39,038	53,155	3,254.51	18,294	877.81

- Year ended 31st March 2016:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	32,661	1,301.11	15,642	593.58	21,158	50,407	2,911.55	19,054	1,023.75

- Year ended 31st March 2015:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	38,153	1,139.24	13,631	508.01	33,174	52,297	2,816.57	32,661	1,301.11

- Year ended 31st March 2014:

(Quantity in MT; ₹ Million)

Product	Opening Stock		Purchases		Production	Turnover		Closing stock	
	Quantity	Value	Quantity	Value	Quantity	Quantity	Value	Quantity	Value
Pulps and concentrate	28,924	947.69	13,199	393.32	45,725	49,695	2,459.74	38,153	1,139.24

C. CIF value of imports (including high-sea purchase)

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Packing material	121.53	61.19	198.42	266.74	81.95
Capital goods	16.77	55.63	39.46	39.72	-
Consumables	-	3.36	-	-	-

D. Expenditure in foreign currency

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Capital goods import (CIF basis)	16.77	55.63	39.46	39.72	-
Packing material import (CIF basis)	121.53	61.19	198.42	266.74	81.95
Consumables	-	3.36	-	-	-
Foreign travel	0.85	4.01	3.18	4.43	5.87
Freight	0.06	3.66	4.30	-	-

E. Earnings in foreign currency

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Export of goods (FOB basis)	1,071.66	2,271.61	1,964.09	1,950.46	1,837.37

F. Employee benefits – Gratuity

(₹ Million)

Summary of actuarial valuation	31 st March 2017
Liability at the beginning of the period	-
Add: Interest cost	-
Current service cost	5.78
Past service cost	-
Settlement cost	-
Curtailment cost	-
Less: Benefits Paid	-
Actuarial (gain)/loss	-
Liability as at the end of the period	5.78
Changes in the Plan Assets in the inter-valuation period	Not Applicable
Recognition of actuarial gain / loss as on accounting date	
Actuarial gain/(loss) in inter-valuation Period: -- Obligation	-
Actuarial (gain)/loss in inter-valuation Period: -- Plan Assets	-
Actuarial gain/loss recognized in inter-valuation period	-
Unrecognized Actuarial (gain)/loss	-
Amounts to be recognized in the balance sheet	
Present value of obligation on the accounting date	(5.78)
Fair Value of Plan Assets on the accounting date	-
Unrecognized actuarial (gain) /loss	-
Net asset / (liability) recognised in the balance sheet	(5.78)
Unrecognized liability	-

(₹ Million)

Expense to be recognized in Profit and Loss Account	31 st March 2017
Interest cost	-
Current service cost	5.78
Past service cost	-
Curtailment cost (credit)	-
Settlement cost (credit)	-
Expected return on Plan Assets	-
Net actuarial (gain)/loss recognized	-
Expense to be recognized in Profit and Loss Account	5.78

Reconciliation	31 st March 2017
Net Liability as at the beginning of year	-
Expenses recognized in Profit and Loss Account	5.78
Less: adjustments to last valuation closing balance	-
Less: benefits paid directly by the Group	-
Less: contributions made to the fund	-
Liability recognized in the Balance Sheet at year end	5.78

Actual return on assets – Not applicable

Category of plan assets – Not applicable

(₹ Million)

Principal Actuarial Assumptions	31 st March 2017
Interest (discount) rate (liabilities)	7.30%
Interest rate (Rate of return on assets)	-
Salary escalation rate (per annum)	5.00%
Resignations rate (per annum)	3.00%
Mortality	Ind. (2006-8)

(₹ Million)

Experience related adjustments	31 st March 2017
Liability side	-
Asset side	-

(₹ Million)

Compliance with Schedule III of the Companies Act, 2013	31 st March 2017
Value of current year obligation	2.01
Present value of non-current year obligation	5.58
Expected additions to the asset in the current year	-
Net current year obligation	(2.01)

G. Payment to auditors

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Statutory Audit Fees	0.28	0.50	0.24	0.59	0.08
Tax Audit Fees	-	0.15	0.05	0.04	0.06

Annexure XXIV – Restated Consolidated Summary Statement of Related Party Transactions

Particulars	Name	Designation/Relationship
Key managerial personnel (KMP)	Rahoul Jain	Chairman and Managing Director
	Shuchi Jain	Wholetime Director
	K. Menon	Director
	Ramesh Narayanan	Chief Financial Officer
Relatives of KMP	Manmohan Singh Jain	Father of Chairman and Managing Director
	Atul Jain	Brother of Chairman and Managing Director
	Kiran Jain	Mother of Chairman and Managing Director
	Rishabh Jain	Son of Chairman and Managing Director, and Wholetime Director
	Meghna Jain	Sister of Chairman and Managing Director
	RS Jain	Father of Wholetime Director
	Santhosh Jain	Mother of Wholetime Director
Enterprise over which KMP/ their relatives have significant influence	Shuchi Beverages Limited	-
	RJ Farms	-
	Kiran Global Chem Limited	-
	MSJ Trade Impex Limited	-

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
KMP	Rahoul Jain Shuchi Jain				
Relative of KMP	Manmohan Singh Jain Atul Jain Rishabh Jain Meghna Jain RS Jain Kiran Jain Santosh Jain				
Enterprise over which KMP/ their relatives have significant influence	Shuchi Beverages Limited RJ Farms Kiran Global Chem Limited MSJ Trade Impex Limited				

Related Party Transactions - Key Management Personnel

(₹ Million)						
Name	Nature of Transaction	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Rahoul Jain	Remuneration	4.50	9.00	5.40	5.40	5.40
	Purchase of raw materials	-	4.68	0.48	0.84	-
	Advance for expenses	-	-	0.13	0.31	-
	Unsecured loan outstanding	-	-	(2.40)	(14.76)	(64.54)
Shuchi Jain	Remuneration	3.00	6.00	4.20	4.20	4.20
	Purchase of raw materials	0.43	-	-	-	-
	Sale of investment	-	0.60	-	-	-
	Unsecured loan outstanding	-	(1.32)	(6.93)	(19.13)	-

Related Party Transactions – Enterprise over which KMP/ their relatives have significant influence

(₹ Million)

Name	Nature of Transaction	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Shuchi Beverages Limited	Purchase of license	13.75	29.92	24.49	29.13	-
	Purchase of packing material	-	-	-	0.69	-
	Sale of license	-	9.98	58.58	29.08	-
	Expenses (Advances)	-	5.99	-	0.73	-
MSJ Trade Impex Limited	Loan given	-	17.50	-	-	-
Kiran Global Chem Limited	Expenses (Advances)	-	-	-	-	40.00
	Sales	-	-	-	-	0.01
RS Jain	Salary	0.77	-	-	-	-
	Advances	-	-	0.05	0.00	0.08
MS Jain		-	10.00	-	10.00	-

Annexure XXV – Restated Consolidated Summary Statement of Dividend

(₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Paid-up equity share capital	290.00	290.00	290.00	290.00	290.00
Dividend on equity shares					
- Interim dividend	-	-	-	-	-
- Final dividend	-	-	-	-	-
Dividend in %	-	-	-	-	-

Annexure XXVI – Restated Consolidated Summary Statement of Earnings Per Share

(Millions of equity shares; ₹ Million)

Particulars	30th September 2017	31st March 2017	31st March 2016	31st March 2015	31st March 2014
Restated consolidated profit after tax attributable to equity shareholders	142.34	229.04	143.93	98.12	123.48
Equity shares outstanding, (beginning of the year)	29.00	29.00	29.00	2.90	2.00
Shares issued during the year	-	-	-	-	-
Debt convertible to equity shares	-	-	-	-	-
Equity shares issued under ESOP scheme	-	-	-	-	-
Bonus shares issued under ESOP Scheme	-	-	-	-	-
Weighted average number of equity shares outstanding for calculation of basic EPS	29.00	29.00	29.00	29.00	2.90
Potential equity shares (CCD)	-	-	-	-	-
Potential equity shares for outstanding ESOP scheme	-	-	-	-	-
Adjusted weighted average number of equity shares for calculation of diluted EPS	29.00	29.00	29.00	29.00	2.90
Adjusted Basic Earnings Per Share (₹)	4.91	7.90	4.96	3.38	42.65
Adjusted Diluted Earnings Per Share (₹)	4.91	7.90	4.96	3.38	42.65

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the years ended March 31, 2015, 2016 and 2017 and the six months ended September 30, 2017 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in "Financial Statements" on page 198.

Our audited consolidated financial statements are prepared in accordance with Indian GAAP, which differs in certain material respects with IND (AS). Our fiscal ends on March 31 of each year. Accordingly, all references to a particular fiscal are to the 12-month period ended March 31 of that year. We have not attempted to quantify the impact of IND (AS) on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those under IND (AS). Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors", "Forward-Looking Statements", "Our Business" and "Industry Overview" on pages 17, 15, 147 and 113, respectively. The industry data in this section has been extracted from the report dated November 20, 2017, titled 'Market Opportunity Analysis for Fruit and Vegetable based Ingredients in India', prepared by Frost & Sullivan (the "Frost & Sullivan Report"). Neither we, nor the Selling Shareholders, the BRLMs, nor any other person connected with the Offer has independently verified this information.

Further, our Company is required to prepare annual and interim financial statements under IND (AS) commencing from April 1, 2017. See "Risk Factors – Significant differences exist between Indian GAAP and IND (AS), on one hand, and other accounting principles, such as U.S. GAAP and IFRS, on the other hand, which may be material to investors' assessments of our financial condition." and "Summary of Significant Differences between Indian GAAP and IND (AS)" on pages 44 and 294, respectively, of this Draft Red Herring Prospectus.

Overview

We are the second largest fruit based ingredients supplier in India. In mango pulps and concentrates, we are the world's fourth largest supplier with an overall market share of approximately 5% and India's second largest manufacturer with approximately 13% volume share in 2016. We are also the largest exporter of mango pulps and concentrates from India, with approximately 13% share of global market production volumes in 2016. We are India's largest supplier of tomato paste and puree with approximately 9% volume share in 2016. We are also India's largest producer and exporter of individually quick frozen ("IQF") fruits with approximately 22% volume share in 2016. (Source: Frost & Sullivan Report)

While our primary product has been mango pulp and concentrates, over the years, we have diversified into other fruit pulps, including not from concentrate ("NFC") and concentrates derived from guava, banana and papaya; tomato paste and puree; IQF fruits and vegetables; and other fruit and vegetable blends, crushes and processed products, including gherkins.

In fiscal 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products (including other processed fruits and vegetables like guava, gherkins, banana and papaya), aggregated to ₹ 2,959.47 million, ₹ 304.49 million, ₹ 477.17 million and ₹ 561.77 million, accounting for 68.78%, 7.08%, 11.09% and 13.06% respectively, of our revenue from product sales. In the six months ended September 30, 2017, our revenue from the sale of mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products, aggregated to ₹ 1,548.92 million, ₹ 102.89 million, ₹ 293.52 million and ₹ 329.04 million, accounting for 68.10%, 4.52%, 12.91% and 14.47% respectively, of our revenue from product sales, in this period

We have a strong presence in the export as well as the domestic markets, with our export and domestic sales accounting for 54.95% and 45.05% of our revenue from product sales for fiscal 2017, and 49.54% and 50.46% of



our revenue from product sales in the six months ended September 30, 2017, respectively. In fiscal 2017, we catered to over 40 countries across Europe, Middle East, Asia Pacific, Africa and North America.

We supply fruits and vegetables based ingredients to over 300 customers including branded fruit based beverages companies, processed food producers, companies selling ice cream and bakery items, frozen foods and companies selling frozen fruits and vegetables.

We have long-standing relationships with several marquee global and Indian companies, supplying ingredients to them directly and to their suppliers. In fiscal 2017, approximately, 78.93% and 62.12% of our revenue from domestic and export sales, respectively, was derived from repeat customers, i.e., to which we have made uninterrupted supplies within the last three years.

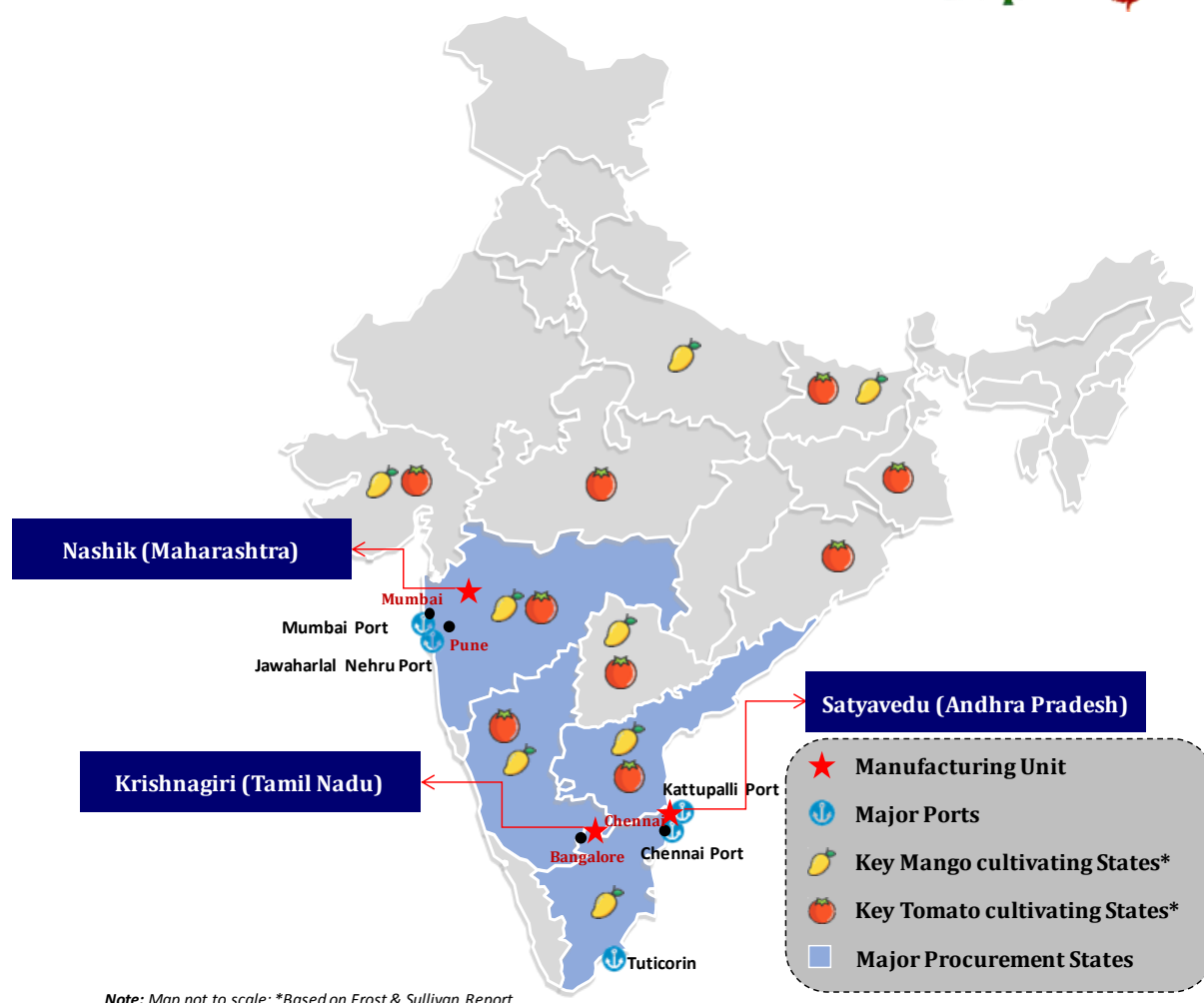
Our major domestic customers include multinational companies such as Coca-Cola India Private Limited, which has been our customer for approximately 12 years, and Varun Beverages Limited, one of the largest franchisees in the world (outside the US) of carbonated and non-carbonated beverages sold under the trademark owned by PepsiCo, which has been our customer for approximately 10 years. In the domestic market, we also supply to Manpasand Beverages Limited, Cremica Food Industries Limited, FieldFresh Foods Private Limited, Hector Beverages Private Limited and certain multinational companies.

Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH.

We commenced operations in 1998 and as of the date of this Draft Red Herring Prospectus, we have three multi-functional production facilities, strategically located in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra, which are high fruit and vegetable cultivating states, in addition to being major seaports. We have three IQF tunnels and five blast freezers, across our production facilities, and are in the process of installing another IQF tunnel and two more blast freezers.

In addition to our production facilities, we also use two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh to cater to increased demand during peak seasons, under arrangements with third party manufacturers. The following map indicates our production facilities:

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We have an extensive procurement network of over 3,900 farmers and over 400 aggregators, collection centres and mandis. We also engage in contract farming activities with farmers for sustained procurement of raw materials such as tomato, gherkins, melon, papaya and okra.

We place significant emphasis on quality control and safety at each step of the production process, and have obtained several quality control and other certifications and accreditations for our facilities and products, as described under “- **Quality Control**” on page 162. Among other awards, we have received the SME2 Business Excellence Award from Dun and Bradstreet in 2015.

Our Promoter, Chairman and Managing Director, Rahoul Jain, was recognized as the ‘Entrepreneur of the Year’ by TiE in 2013, the ‘SME Business Excellence Award’ at the ‘Karur Vysya Bank - Dun & Bradstreet SME Business Excellence Awards, 2015’ and was nominated in 2013 as “India’s Emerging Entrepreneur” during the Emerging India Awards. In addition to his overall supervision of our operations, Rahoul Jain heads business development and manages key client relationships. Shuchi Jain, our whole time director, heads our human resources and administrative functions. Both Rahoul Jain and Shuchi Jain have been involved with our Company since its incorporation, and have over 18 years of experience in this business.

Over the years, we have established a track record of strong financial performance and growth. Our total revenues has increased at a CAGR of 13.61% from ₹ 3,142.31 million in fiscal 2014 to ₹ 4,607.86 million in fiscal 2017. Our EBITDA increased at a CAGR of 23.49% from ₹ 442.16 million in fiscal 2014 to ₹ 832.66 million in fiscal 2017. Our PAT has increased at a CAGR of 22.64% from ₹ 124.70 million in fiscal 2014 to ₹ 230.04 million in fiscal 2017.

Significant Factors Affecting our Results of Operations

We believe that the following factors have significantly affected our results of operations and financial condition

during the periods under review, and may continue to affect our results of operations and financial condition in the future:

Product mix and ability to introduce new products and cater to evolving consumer requirements

Our revenue and profit margins are significantly impacted by the mix of products we sell. While our product offerings were historically comprised of mango pulp and concentrates, we have diversified into a wide range of other products including other fruit pulps, including NFC and concentrates, including guava, banana, papaya and pomegranate; tomato paste and puree; IQF fruits and vegetables; and other fruit and vegetable blends, crushes and processed products, including gherkins. Mango pulp and concentrates have accounted for 74.47 %, 67.94%, 68.78 % and 68.10 % of our consolidated revenue from product sales for fiscals 2015, 2016 and 2017 and the six months ended September 30, 2017, respectively. We currently expect to continue for the short and medium term to, depend significantly on our revenues from mango pulp and concentrates. We intend to diversify our product portfolio to provide us the flexibility to operate successfully across business cycles and serve a range of consumers, from MNCs to emerging market players.

The success of our business depends upon our ability to anticipate and identify changes in consumers' needs and offer products that our end use consumers' require. We also intend to foray into value added products to cater to evolving consumer requirements and capitalize on emerging trends, in terms of different varieties of fruit and vegetable processing techniques and/or different packaging formats for our products, including canned and bottled fruit and vegetable products, to increase the shelf life of such products, which, in turn, may allow us to increase our geographical penetration, allowing us to ship to customers located further away, or in less readily accessible markets.

Availability and price of raw materials and seasonality

Our business operations are primarily dependent on availability of fruits and vegetables used in the production of the majority of our products and our ability to procure sufficient amounts of quality raw materials at commercially viable prices. Our raw material procurement model involves direct purchase of a majority of our raw materials requirements from farmers and vendors, and we also obtain some of our raw materials from contract farming suppliers. We enjoy long term relationships with these farmers, aggregators, collection centres and mandis. In addition, we enter into contract farming arrangements for certain fruit and vegetable supplies from time to time and work closely with such contract farmer with education and technical inputs.

However, the amount of fruits and vegetables we procure and the price at which we procure them, may fluctuate from time to time in the absence of a formal supply arrangement. We have an extensive procurement network for instance during fiscal 2017 we procured our raw materials from over 3,900 farmers and over 400 aggregators, collection centres and mandis.

The availability and price of raw materials is subject to a number of factors beyond our control including overall climatic and economic conditions, production levels, market demand and competition for such materials, production and transportation cost, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Any inability on our part to procure sufficient raw materials and on commercially acceptable terms, could lead to a change in our production and sales volumes.

The supply of raw materials is also subject to seasonal factors. The availability of raw materials for our products may be affected due to a variety of reasons, including increase in cost of raw materials, seasonality, adverse weather conditions, natural disasters, could impact our margins, sales and may have an adverse effect on our business, financial condition and results of operations. Extreme cold or hot weather could lead to lower than expected production of our raw materials. Mango, our primary raw material, being the tropical fruit is seasonal and the peak harvesting season, which varies from state to state, is typically around April to June of the year. Our first and the last quarters contributed 58.76% and the second and the third quarters contributed 41.24% in fiscal 2017 of our revenue from product sales of mango pulps and concentrates. A hot summer and weak monsoon conditions would typically cause a rise in demand for the end products for which our finished products are used.

Client concentration, competition and pricing pressure

The global fruit-based ingredients industry is highly fragmented, with numerous international and local companies competing for market share. Medium and small players hold almost 90.5% of the global market share. Typically,

it is local players who control a major share of that region. We operate in a highly competitive industry and our competitors in certain regional markets may also benefit from raw material sources or production facilities that are closer to the markets for the downstream products or may benefit from integrating upstream and downstream production processes, which provides them with competitive advantages in terms of costs and proximity to consumers. Our competitors in certain regions may also have better access to raw materials required in our operations and may procure them at lower costs than us.

Our top 10 customers accounted for 44.77% and 41.65% of our revenue from product sales for fiscal 2017 and the six months ended September 30, 2017, respectively. We anticipate that this concentration of sales among key customers may continue in the future. The loss of a key customer or a number of key customers may harm our financial condition and results of operations. Our competitors may pursue an aggressive pricing policy and offer incentives or subsidies to customers that are more favourable than those that we offer. Increased consolidation among our competitors could allow such competitors to further benefit from economies of scale, offer more comprehensive product portfolios and increase the size of their serviceable markets. This could require us to accept considerable reductions in our profit margins and the loss of market share due to price pressure.

We will be required to compete effectively with our existing and potential competitors, to maintain and grow our market share and, in turn, our results of operation.

Utilization levels of our production facilities and operating efficiencies

As of the date of this Draft Red Herring Prospectus we have three automated multi-functional production facilities, strategically located in Sathyavedu, Andhra Pradesh, Krishnagiri, Tamil Nadu, and Nashik, Maharashtra, which are high fruit and vegetable cultivating states, in addition to being major seaports and consumption hubs. In addition to our production facilities, we also use, two production facilities located in Krishnagiri, Tamil Nadu and Srikalahasti, Andhra Pradesh to cater to increased demand during peak seasons, under arrangements with the respective third party manufacturers. All our production facilities are strategically located in high fruit cultivating belts and also enjoy close proximity to major seaports and consumption hubs. Our production facilities are essential for us to remain competitive and to capitalize on the growth potential in the food processing business.

Our multi-functional equipment allows us to scale our business by adding additional or necessary equipment, as we may be able to test and commence processing different products and product variants, without incurring significant incremental costs for each such new product or product variant launch. Our production facilities are automated, with the flexibility to process large volumes of multiple fruits and vegetables to multiple specifications (including different fruits and vegetables cut into different sizes, or pulped and strained into different consistencies, or concentrated into different levels of concentration), based on our consumers' requirements and the availability of raw materials. We would focus on improving capacity utilization at our production facilities, including outside of the peak season, through increase in our overall production volumes as well as diversification of our product portfolio, to include a larger share of non-mango fruit and vegetables products and value added products.

It is important for us to maintain adequate production capabilities and efficiencies to cater to our growth strategy and result of operations.

Revenues from exports and foreign currency fluctuations

We have a strong presence in the export markets, with our export sales accounting for 54.95 % and 49.54 % of our revenue from product sales for fiscal 2017, and the six months ended September 30, 2017, respectively. In fiscal 2017, we catered to over 40 countries across Europe, Middle East, Asia Pacific, Africa and North America. We have already accessed some of these export markets through our existing relationships with certain global companies. Some of the overseas customers with whom we enjoy long-standing relationships include Aujan Industries LLC and Crop's Fruits NV, for approximately 15 years and nine years respectively. Our other major international customers include Ardo UK Limited and Agrana Fruit Services GmbH . In addition, there have been local civil disturbances in some of these geographies in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in countries to which we export could have an adverse effect on our business.

Our Restated Financial Information is presented in Indian Rupees. However, our revenues and operating expenses and finance charges are influenced by the currencies of those countries where we sell our products. The exchange rates between the Indian Rupee and various foreign currencies has fluctuated in the past and our results of

operations have been impacted by such fluctuations and may be impacted by such fluctuations in the future as well. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect on depreciation of the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Moreover, we expect that our cost of borrowing as well as our cost of imported raw materials, imported stores and spares, overseas professional costs, freight and overseas warehousing costs incurred by us may rise during a sustained depreciation of the Indian Rupee against the relevant foreign currencies.

Beverages market in India and overseas

Beverages constitute the biggest application segment of the global fruit based ingredients market owing to the increasing consumption of fruit drinks globally. In India, fruit-based ingredients are widely used in beverages, canned fruit, jelly, jams, chutneys, ready to eat food products, etc. Mixed fruit, guava, pomegranate etc., are the popular varieties of juices consumed in India. India is the third largest beverages market in the world. The fruit based beverage industry is the biggest consumer of Indian fruit pulps and concentrates. With carbonated drinks being perceived as unhealthy, companies manufacturing these have added the juices segment in their portfolio providing a large variety of options for consumers and driving growth. The organized fruit beverages market remains highly consolidated with the top four players accounting for more than 80%. (Source: Frost & Sullivan Report)

Growth in the market for fruit drinks may also be impacted by variety of other factors such as changes in the purchasing behaviour of Indian consumers, or on account of a general slowdown in the Indian economy and consequent reduction in spending. Further, the Indian government has been encouraging fruit juice consumption with changes in the amount of GST applicable on beverages. GST on carbonated drinks being the highest at 40% and based on the fruit juice content, 12% GST is applicable on fruit juices. This shift is likely to increase beverage manufacturers to include natural pulps in beverages and increase the sale of natural fruit juices. These factors may have an impact upon the size and growth of the market for beverages, including fruit drinks segments in which we are present, and may accordingly adversely affect our results of operations. Any slowdown in demand during peak seasons or failure by us to accurately anticipate and prepare for such seasonal fluctuations could have a material adverse effect on our business.

Regulatory developments

Our operations are subject to a broad range of foreign, national and local health and safety laws and regulations, including laws and regulations governing the imposition of taxes or standards on imports of certain products or from certain geographies. Regulations in the food industry may also affect our operations with respect to our customers in the food sector. Further, certain tax incentives and tax credits currently available to us could be modified or repealed due to the introduction of the new tax regime. These laws and regulations are subject to change based on new legislation and regulatory initiatives, which could affect the economics of the food processing industry by requiring changes in operating practices or influencing the demand for, and the cost of providing, third-party transportation services. See “**Key Regulations and Policies in India**” on page 167 for further information.

Changes to the taxation regime in India may also have a positive or negative effect on us, our customers or our vendors, which may affect our revenues and profitability. For example, the implementation of GST in India, may impact the food processing industry and our market share, which in turn may affect our revenues and profitability.

Significant Accounting Policies

Principles of consolidation

- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 of the ICAI and under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- The Consolidated Financial Statements have been combined on a line - by - line basis by adding together like items of assets, liabilities, income and expenses;

- Intra-group balances and intra-group transactions, including unrealized profits from such transactions have been fully eliminated;
- As the subsidiaries are part of our consolidated results since their inception, there arises no goodwill or capital reserve;
- The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Holding Company, i.e, as at and for the year ended March 31, 2017.

Following are subsidiary companies included in the Consolidated Financial Statement:

Subsidiary	Country	Ownership %	
		March 31, 2016	March 31, 2017
Gonglu	India	100%	100%
Fresco	India	100%	100%

t) Accounting concepts

The financial statements have been prepared in accordance with Indian GAAP to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 or Companies Act, 1956, as applicable. The statements have been prepared on accrual basis under the historical cost convention.

u) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Restated Consolidated Summary Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance costs and tax expense.

v) Use of estimates

Estimates and assumptions made by management in the preparation of financial statements have a bearing on reported amounts of financial results, assets & liabilities and the disclosure of contingent liabilities. Actual results could differ from those estimates. Any revision to accounting estimate is recognized prospectively.

w) Revenue recognition

Revenue is recognized, and expenditure is accounted for on their accrual. Excise duty recovery from customer is deducted from gross turnover. Revenue from domestic sale is recognized on delivery to the carrier when risk and rewards of ownership is passed on to the customers. Sale of goods in respect of export sales is recognized as and when shipment of goods takes place. Export incentives are accounted on export of goods, when conditions precedents to claims are fulfilled. Duty drawback entitlements under the scheme of Government of India are recognized in the year in which the export of sales is accounted for. Advance license benefits on exports are accounted in the year of utilization.

Government grants are accounted in accordance with Accounting Standard 12 issued by the ICAI. Other items of income are recognized when there is no significant uncertainty as to their measurability or collectability.

x) Property, plant and equipment

Property, plant and equipment are recorded at cost and cost includes appropriate direct and allocated expenses including interest on specified borrowings for acquisition of assets up to the date of commencement of commercial production.

y) Depreciation and Amortisation

Depreciation on property, spares, plant and equipment is provided under the Straight Line Method based on useful life of the assets and in accordance with Schedule II to Companies Act, 2013 adopting the useful life

as specified therein and considering the residual value at 5% of the original cost of the asset. Plant & machinery is depreciated based on the number of days of double shifts worked as prescribed in Schedule II of the Companies Act, 2013. Spares having different useful lives from that of their related plant has been depreciated as per their useful life determined by the management. Intangible assets are amortized equally over their estimated useful life.

z) Inventories

Raw materials and packing materials are valued at weighted average cost. Finished goods are valued at cost (including applicable overheads and excise duty) or net realizable values, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to complete the sale.

aa) Employee benefits

Short-term employee benefits are charged at the undiscounted amount to the Consolidated Statement of Profit and Loss in the year in which related service is rendered. Contributions to defined contribution schemes towards retirement benefits in the form of provident fund for the year are charged to the Consolidated Statement of Profit and Loss as incurred. Liability in respect of gratuity is provided for based on an actuarial valuation in accordance with Accounting Standard 15 issued by the ICAI.

bb) Provision, Contingent liabilities and Contingent assets

A provision is created when there is a present obligation as a result of an obligation/ event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for contingent liability is made when there is a possible or a present obligation that may, but probably will not, require immediate outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is very remote, no provision or disclosure is made.

cc) Taxes on income

Tax expense comprises the current tax and deferred tax. Current income tax is provided on the taxable income for the period as per the provision of the Income Tax Act, 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

dd) Foreign exchange transactions

Transactions in foreign exchange are initially recognized at the rates prevailing on the date of transaction. All monetary assets and liabilities are restated at the balance sheet date using the year-end foreign exchange rate. Resultant exchange difference is recognized as income or expense in the year in which they arise.

ee) Borrowing costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes substantial period of time to get ready for its intended use, are capitalized as a part of the cost of such assets, until such time that the asset is substantially ready for its intended use. All other borrowing costs are recognized in the Consolidated Statement of Profit and Loss in the period they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

ff) Impairment of assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Consolidated Statement of Profit and Loss in the year in which an asset is identified as impaired, after considering adjustments if any, already carried out.

gg) Earnings per share

The earnings considered in ascertaining earnings per share comprises the net profit after tax. The number of shares used in computing earnings per share is the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

hh) Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a 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 our operating, investing and financing activities are disclosed separately.

ii) Subsequent events occurring after the balance sheet date

Any significant events or transactions with significant impact in the current year are taken into consideration and the impact of such transactions if quantifiable, is provided for.

jj) Classification of current / non-current assets and liabilities

All assets and liabilities are presented as current or non-current as per our normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, we have ascertained our operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

kk) Cash and cash equivalent

Cash and cash equivalent for the purpose of the Statement of Cash Flows comprise cash on hand and cash at bank.

ll) Investments

Long-term investments are valued at cost and any permanent diminution in the carrying amount is provided for.

Summary Results of Operations

The following is a summary of our profit and loss account as per our restated consolidated financial statements for the periods indicated:

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017		Six months ended September 30, 2017	
	in ₹ million	%	in ₹ million	%	in ₹ million	%	in ₹ million	%
Revenue from product sales	3,591.78	92.45%	4,098.20	94.62%	4,302.90	93.38%	2,274.37	96.42%
License sales	144.36	3.72%	80.88	1.87%	89.84	1.95%	51.13	2.17%
Other operating income	106.01	2.73%	122.23	2.82%	134.56	2.92%	25.02	1.06%
Revenue from operations (A)	3,842.15	98.89%	4,301.30	99.31%	4,527.30	98.25%	2,350.53	99.65%
Other income (B)	43.09	1.11%	29.85	0.69%	80.56	1.75%	8.34	0.35%
Total Revenue C = A+B	3,885.24	100.00%	4,331.15	100.00%	4,607.86	100.00%	2,358.87	100.00%
Expenditure								
Cost of materials consumed	2,248.65	57.88%	2,214.79	51.14%	2,870.46	62.29%	1,507.44	63.91%
Purchases of stock-in-trade	432.28	11.13%	448.61	10.36%	309.22	6.71%	268.87	11.40%
Changes in inventories of finished goods	(291.20)	-7.50%	150.61	3.48%	(423.50)	-9.19%	(379.70)	-16.10%
Manufacturing expenses	417.09	10.74%	332.87	7.69%	510.71	11.08%	224.93	9.54%
Employee benefit expenses	130.34	3.35%	141.33	3.26%	155.26	3.37%	81.85	3.47%

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017		Six months ended September 30, 2017	
	in ₹ million	%	in ₹ million	%	in ₹ million	%	in ₹ million	%
Administrative and selling expenses	330.31	8.50%	293.31	6.77%	353.05	7.66%	188.68	8.00%
Total (D)	3,267.46	84.10%	3,581.52	82.69%	3,775.20	81.93%	1,892.06	80.21%
EBITDA (C) – (D)	617.78	15.90%	749.63	17.31%	832.66	18.07%	466.81	19.79%
Less: Depreciation	149.91	3.86%	172.99	3.99%	192.31	4.17%	103.11	4.37%
Less: Finance costs	310.82	8.00%	332.35	7.67%	302.83	6.57%	125.54	5.32%
Profit Before Tax	157.05	4.04%	244.30	5.64%	337.52	7.32%	238.16	10.10%
Less: Tax Expense								
(1) Current tax	36.94	0.95%	61.42	1.42%	88.24	1.91%	58.82	2.49%
(2) Deferred tax (asset)/liability	43.96	1.13%	26.28	0.61%	(3.21)	-0.07%	16.11	0.68%
(3) MAT credit (availed) / utilised	(24.94)	-0.64%	10.43	0.24%	22.45	0.49%	20.14	0.85%
Restated Profit After Tax	101.10	2.60%	146.16	3.37%	230.04	4.99%	143.09	6.07%

Components of Income and Expenditure

Total Revenue

Our total revenue consists of our revenue from operations and other income.

Revenue from operations

Our revenue from operations consists of revenue from product sales, license sales and other operating income.

Revenue from product sales

Our revenue from product sales accounted for 92.45 %, 94.62 %, 93.38 % and 96.42 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Product mix

Our revenue from product sales consists of revenues from mango pulp and concentrates, tomato paste and puree, IQF fruits and vegetables and other products. Our revenues from other products comprise processed fruits and vegetables like guava, gherkins, banana and papaya.

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017		Six months ended September 30, 2017	
	in ₹ million	%	in ₹ million	%	in ₹ million	%	in ₹ million	%
Mango pulp and concentrates	2,674.77	74.47%	2,784.42	67.94%	2,959.47	68.78%	1,548.92	68.10%
Tomato paste and puree	207.93	5.79%	388.64	9.48%	304.49	7.08%	102.89	4.52%
IQF fruits and vegetables	323.00	8.99%	437.13	10.67%	477.17	11.09%	293.52	12.91%
Other products	386.08	10.75%	488.01	11.91%	561.77	13.06%	329.04	14.47%
Revenue from product sales	3,591.78	100.00%	4,098.20	100.00%	4,302.90	100.00%	2,274.37	100.00%

Over the years, we have seen an increasing share from non-mango products in our revenue from product sales. Our revenue from IQF fruits and vegetables increased from 8.99 % in fiscal 2015 to 12.91 % in the six months ended September 30, 2017, primarily due to strategic focus on increasing high margin products. Similarly, in pursuit of our diversification strategy, our revenue from other products increased from 10.75 % in fiscal 2015 to 14.43 % in the six months ended September 30, 2017.

Domestic and export mix

Particulars	Fiscal 2015		Fiscal 2016		Fiscal 2017		Six months ended September 30, 2017	
	in ₹ million	%	in ₹ million	%	in ₹ million	%	in ₹ million	%
Domestic	1,589.68	44.26%	2,038.56	49.74%	1,938.49	45.05%	1,147.76	50.46%
Exports	2,002.10	55.74%	2,059.64	50.26%	2,364.41	54.95%	1,126.61	49.54%
Revenue from product sales	3,591.78	100.00%	4,098.20	100.00%	4,302.90	100.00%	2,274.37	100.00%

Our revenue from domestic product sales has seen an increasing share vis-à-vis export product sales in the total revenue from product sales. However, our revenue from domestic and export product sales have largely contributed equally in our overall revenue growth.

License sales

Our revenues from license sales accounted for 3.72 %, 1.87 %, 1.95 % and 2.17 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. The license eligibility is 5% on free on board value of exports, and we account revenue from sale of such licenses under this revenue item.

Other operating income

Our other operating income accounted for 2.73 %, 2.82 %, 2.92 % and 1.06 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. Our other operating income primarily consists of the revenue generated from export incentives and processing and other contract income. Export incentives includes duty drawback on export products on free on board value with and without CENVAT credit. Processing and other contract income includes job work processing done for other producers of pulp in our production facilities.

Other Income

Our other income primarily includes foreign exchange gain (net), interest income and miscellaneous income and accounted for 1.11 %, 0.69 %, 1.75 % and 0.35 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Expenses

Cost of materials consumed

Our cost of materials consumed primarily consists of (i) raw material consumption of fruits and vegetables; and (ii) consumption of packing material including aseptic bags, MS barrels /drums, open top sanitary (“OTS”) cans and others. Cost of materials consumed accounted for 57.88 %, 51.14 %, 62.29 % and 63.91 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively and indicates the difference between the opening and closing inventory, as adjusted for raw materials / packing material purchased during the period.

Purchases of stock-in-trade

Our purchases of stock-in-trade comprise fruit pulp and others.

Changes in inventories of finished goods

Our changes in inventories of finished goods indicate the difference between our opening and closing inventory of finished goods.

Employee benefits expenses

Our employee benefits expense comprises salaries, wages and bonus, directors’ remuneration, contribution to the provident fund, gratuity fund expenses and staff welfare expenses. Employee benefits expense accounted for 3.35 %, 3.26 %, 3.37 % and 3.47 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Manufacturing expenses

Our manufacturing expenses comprises (i) consumption of stores and consumables; (ii) processing and labour charges; (iii) power and fuel; (iv) repairs and maintenance of machinery; (v) excise duty on finished good; (vi) other manufacturing expenses. Our manufacturing expenses accounted for 10.74 %, 7.69 %, 11.08 % and 9.54 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Administrative and selling expenses

Our administrative and selling expenses primarily comprises clearing and forwarding charges and freight outward charges. Our administrative and selling expenses accounted for 8.50 %, 6.77 %, 7.66 % and 8.00 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Earnings before interest, tax, depreciation and amortization ("EBITDA")

Our EBITDA was ₹ 617.78 million, ₹ 749.63 million, ₹ 832.66 million and ₹ 466.81 million in for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. Our EBITDA as a percentage of total revenue was 15.90 %, 17.31 %, 18.07 % and 19.79 % for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Depreciation

Our depreciation expenses accounted 3.86 %, 3.99 %, 4.17 % and 4.37 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Finance costs

Our finance costs primarily comprise interest on working capital loans and term loans and other borrowing costs. Our finance costs accounted for 8.00 %, 7.67 %, 6.57 % and 5.32 % of our total revenue for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Profit before tax

Our profit before tax was ₹ 157.05 million, ₹ 244.30 million, ₹ 337.52 million and ₹ 238.16 million in for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Tax expenses

Our tax expenses include current tax, deferred tax (asset) / liability, MAT credit availed and MAT credit utilised.

Profit after tax

Our profit after tax was ₹ 101.10 million, ₹ 146.16 million, ₹ 230.04 million and ₹ 143.09 million in for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. Our profit after tax as a percentage of total revenue was 2.60 %, 3.37 %, 4.99 % and 6.07 % for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Six months ended September 30, 2017

Total Revenue

Our total revenue for the six months ended September 30, 2017 was ₹ 2,358.87 million.

Revenue from operations

Our revenue from operations for the six months ended September 30, 2017 was ₹ 2,350.53 million.

Revenue from product sales

Our revenue from product sales for the six months ended September 30, 2017 was ₹ 2,274.37 million.

Our revenue from mango pulp and concentrates continues to remain a significant portion of our total revenue from product sales. Our revenue from IQF fruits and vegetables increased from 10.70% in fiscal 2017 to 12.91 % in the six months ended September 30, 2017 and our revenue from other products increased from 12.97 % in fiscal 2017 to 14.43 % in the six months ended September 30, 2017.

Particulars	Six months ended 30th September 2017	
	in ₹ million	%
Mango pulp and concentrates	1,548.92	68.10%
Tomato paste and puree	102.89	4.52%
IQF fruits and vegetables	293.52	12.91%
Other products	329.04	14.47%
Revenue from product sales	2,274.37	100.00%

Our revenue from product sales for the six months ended September 30, 2017, had largely similar share from both domestic and export sales.

Particulars	Six months ended September 30, 2017	
	in ₹ million	%
Domestic	1,147.76	50.46%
Exports	1,126.61	49.54%
Revenue from product sales	2,274.37	100.00%

Our product sales contributed 96.42 % of our total revenue in the six months ended September 30, 2017, compared to 93.38 % in fiscal 2017.

License sales

Our license sales were ₹ 51.13 million in the six months ended September 30, 2017. Our licenses sales contributed 2.17 % of our total revenue in the six months ended September 30, 2017, compared to 1.95% in fiscal 2017.

Other operating income

Our revenue from other operating income for the six months ended September 30, 2017 was ₹ 25.02 million, primarily including export incentives and processing and other contract income. Our revenue from export incentives were ₹ 11.08 million, while our revenue from processing and other contract income were ₹ 13.94 million in the six months ended September 30, 2017.

Our other operating income contributed 1.06 % of our total revenue for the six months ended September 30, 2017, compared to 2.92 % in fiscal 2017.

Other income

Our other income for the six months ended September 30, 2017 was ₹ 8.34 million, primarily including interest income. Our interest income contributed 0.29 % of our total revenue for the six months ended September 30, 2017, compared to 0.35 % in fiscal 2017.

Expenses

Our total expenses for the six months ended September 30, 2017 aggregated to ₹ 1,892.06 million.

Cost of materials consumed

Our cost of materials consumed for the six months ended September 30, 2017 was ₹ 1,507.44 million, primarily on account of high purchases of fruits and vegetables for ₹ 1,230.12 million prior to adjustment on account of closing stock.

Our cost of materials consumed as a percentage of our total revenue contributed 63.91 % for the six months ended September 30, 2017, compared to 62.29 % in fiscal 2017.

Purchases of stock-in-trade

Our purchase of stock-in-trade for the six months ended September 30, 2017 was ₹ 268.87 million, primarily on account of purchase of stock-in-trade for fruit pulps aggregating to ₹ 257.80 million, and for others aggregating to ₹ 11.07 million. Our purchases of stock-in-trade as a percentage of our total revenue contributed 11.40 % for the six months ended September 30, 2017, compared to 6.71 % in fiscal 2017.

Changes in inventories of finished goods

Our opening stock of finished goods was ₹ 1,845.49 million for the six months ended September 30, 2017. Our closing stock of finished goods was ₹ 2,225.19 million for the six months ended September 30, 2017.

Employee benefit expenses

Our employee benefit expenses for the six months ended September 30, 2017 aggregated to ₹ 81.85 million, primarily including salaries, wages and bonus. As a percentage of our total revenue, our employee benefit expenses contributed 3.47 % for the six months ended September 30, 2017, compared to 3.37 % in fiscal 2017.

Manufacturing expenses

Our manufacturing expenses for the six months ended September 30, 2017 aggregated to ₹ 224.93 million, primarily including processing and labour charges and power and fuel, partially offset by excise on inventory. As a percentage of our total revenue, manufacturing expenses contributed 9.54 % for the six months ended September 30, 2017, compared to 11.08 % in fiscal 2017.

Administrative and selling expenses

Our administrative and selling expenses for the six months ended September 30, 2017 aggregated to ₹ 188.68 million, which primarily included freight outward charges of ₹ 108.75 million, clearing and forwarding charges of ₹ 13.01 million. As a percentage of our total revenue, administrative and selling expenses aggregated to 8.00 % for the six months ended September 30, 2017, compared to 7.66 % in fiscal 2017.

EBITDA

Our EBITDA was ₹ 466.81 million in the six months ended September 30, 2017. As a percentage of our total revenue our EBITDA was 19.79 % for the six months ended September 30, 2017, compared to 18.07 % in fiscal 2017, primarily due to 1.55 % lower manufacturing expenses for the six months ended September 30, 2017 compared to fiscal 2017.

Depreciation

Our depreciation expense for the six months ended September 30, 2017 was ₹ 103.11 million. As a percentage of our total revenue, depreciation was 4.37 % for the six months ended September 30, 2017, compared to 4.17 % in fiscal 2017.

Finance costs

Our finance costs for the six months ended September 30, 2017 aggregated to ₹ 125.54 million primarily including interest costs on working capital and term loan.

As a percentage of our total revenue, our finance costs for the six months ended September 30, 2017 was 5.32 %, compared to 6.57 % in fiscal 2017, primarily due to lower borrowings for the six months ended September 30, 2017.

Profit before tax

As a result of the above, our profit before tax for the six months ended September 30, 2017 was ₹ 238.16 million. As a percentage of our total revenue was 10.10 %, for the six months ended September 30, 2017, compared to 7.32 % in fiscal 2017.

Tax expenses

Our current tax for the six months ended September 30, 2017 was ₹ 58.82 million. As a percentage of our total revenue was 2.49 %, for the six months ended September 30, 2017, compared to 1.91 % in fiscal 2017.

Our deferred tax (net) for the six months ended September 30, 2017 was liability of ₹ 16.11 million compared to an asset of ₹ 3.21 million in fiscal 2017.

Our MAT credit for the six months ended September 30, 2017 was ₹ 20.14 million. As a percentage of our total revenue was 0.85 %, for the six months ended September 30, 2017, compared to 0.49 % in fiscal 2017.

Profit after tax

Our profit after tax for the six months ended September 30, 2017 was ₹ 143.09 million. As a percentage of our total revenue, our profit after tax was 6.07 %, for the six months ended September 30, 2017, compared to 4.99 % in fiscal 2017, i.e., an increase of 1.08 % primarily attributable to an increase in EBITDA by 1.72 % and finance costs lower by 1.25 %, offset by an increase in tax expense by 1.7%.

fiscal 2017 compared to fiscal 2016

Total Revenue

Our total revenue increased by ₹ 276.71 million, or 6.39 %, from ₹ 4,331.15 million in fiscal 2016 to ₹ 4,607.86 million in fiscal 2017.

Revenue from operations

Our revenue from operations increased by ₹ 226 million, or 5.25 %, from ₹ 4,301.30 million in fiscal 2016 to ₹ 4,527.30 million in fiscal 2017.

Revenue from product sales

Our revenue from product sales increased by ₹ 204.70 million, or 4.99 %, from ₹ 4,098.20 million in fiscal 2016 to ₹ 4,302.90 million in fiscal 2017.

This is primarily attributable to our revenue from mango pulp and concentrates indicating an increase of ₹ 193.09 million in fiscal 2017, compared to fiscal 2016. Similarly, there was an increase in our revenue from IQF fruits and vegetables and other products. However, this increase was offset by decrease in our revenue from tomato paste and puree. As a percentage of our revenue from product sales, tomato paste and puree sales particularly decreased by 2.35 % from fiscal 2016 to fiscal 2017 due to demonetisation and its impact on our end users.

Particulars	Fiscal 2016		Fiscal 2017	
	in ₹ million	%	in ₹ million	%
Mango pulp and concentrates	2,784.42	67.94%	2,959.47	68.78%
Tomato paste and puree	388.64	9.48%	304.49	7.08%
IQF fruits and vegetables	437.13	10.67%	477.17	11.09%
Other products	488.01	11.91%	561.77	13.06%
Revenue from product sales	4,098.20	100.00%	4,302.90	100.00%

In fiscal 2017 our revenue from domestic sales decreased by 4.91 %, compared to fiscal 2016, primarily due to impact of demonetisation. However, our revenue from export sales increased by 14.80 %, compared to fiscal 2016.

Particulars	Fiscal 2016		Fiscal 2017	
	in ₹ million	%	in ₹ million	%
Domestic	2,038.56	49.74%	1,938.49	45.05%
Exports	2,059.64	50.26%	2,364.41	54.95%
Revenue from product sales	4,098.20	100.00%	4,302.90	100.00%

Our product sales contributed 94.62 % of our revenue in fiscal 2016, compared to 93.38 % of our revenue in fiscal 2017.

License sales

Our license sales increased by ₹ 8.96 million, or 11.08%, from ₹ 80.88 million in fiscal 2016 to ₹ 89.84 million in fiscal 2017. Our license sales contributed 1.87 % of our revenue in fiscal 2016, compared to 1.95 % of our revenue in fiscal 2017.

Other operating income

Our revenue from other operating income increased by ₹ 12.34 million, or 10.09 %, from ₹ 122.23 million in fiscal 2016 to ₹ 134.56 million in fiscal 2017, primarily due to increase in export incentives. Our revenues from export incentives increased by ₹ 44.65 million, from ₹ 49.05 million in fiscal 2016 to ₹ 93.70 million in fiscal 2017.

Our other operating income contributed 2.82 % of our revenue in fiscal 2016, compared to 2.92 % of our revenue in fiscal 2017.

Other income

Our other income increased by ₹ 50.71 million, from ₹ 29.85 million in fiscal 2016 to ₹ 80.56 million in fiscal 2017. This increase was primarily due to increase in net gain on foreign exchange transaction. Our net gain on foreign exchange transactions contributed 45.73 % of our revenue from other income in fiscal 2016, compared to 67.14 % of our revenue from other income in fiscal 2017. Our other income contributed 0.69 % of our revenue in fiscal 2016, compared to 1.75 % of our revenue in fiscal 2017.

Expenses

Our total expenses increased by ₹ 193.68 million, or 5.41 %, from ₹ 3,581.52 million in fiscal 2016 to ₹ 3,775.20 million in fiscal 2017.

Cost of materials consumed

Our cost of materials consumed increased by ₹ 655.67 million, or 29.60 %, from ₹ 2,214.79 million in fiscal 2016 to ₹ 2,870.46 million in fiscal 2017, primarily on account of increased purchases of fruits and vegetables for orders anticipated during fiscal 2017.

Our cost of materials consumed as a percentage of our total revenue was 51.14 % in fiscal 2016, compared to 62.29 % in fiscal 2017.

Purchases of stock-in-trade

Our purchase of stock-in-trade decreased by ₹ 139.39 million, or 31.07 %, from ₹ 448.61 million in fiscal 2016 to ₹ 309.22 million in fiscal 2017, primarily on account of decreased purchases of fruit pulps and others, to in view of our existing inventory from the previous fiscal. Our purchases of stock-in-trade comprises fruit pulps and others. The purchase of stock-in-trade for fruit pulps decreased by ₹ 148.61 million, or 34.94 %, from ₹ 425.29 million in fiscal 2016 to ₹ 276.68 million in fiscal 2017. The purchase of stock-in-trade for others increased by ₹ 9.22 million or 39.54 % from ₹ 23.32 million in fiscal 2016 to ₹ 32.54 million in fiscal 2017. Our purchases of stock-in-trade as a percentage of our total revenue was 10.36 % in fiscal 2016, compared to 6.71 % in fiscal 2017.

Changes in inventories of finished goods

Our opening stock of finished goods was ₹ 1,572.60 million at the beginning of fiscal 2016, while it was ₹ 1,421.99 million at the beginning of fiscal 2017. This decrease in our opening stock was primarily due to movement in the finished goods based on the schedule of orders. Our closing stock of finished goods was ₹ 1,421.99 million at end of fiscal 2016, while it was ₹ 1,845.49 at the end of fiscal 2017. This increase in our closing stock was an impact of demonetisation on product sales in fiscal 2017.

Employee benefit expenses

Our employee benefit expenses increased by ₹13.93 million, or 9.86 %, from ₹ 141.33 million in fiscal 2016 to ₹ 155.26 million in fiscal 2017. This increase was primarily due to increase in salaries, wages and bonus of existing employees. As a percentage of our total revenue, our employee benefit expenses were 3.26 % in fiscal 2016, compared to 3.37 % in fiscal 2017.

Manufacturing expenses

Our manufacturing expenses increased by ₹ 177.84 million, or 53.43 %, from ₹ 332.87 million in fiscal 2016 to ₹ 510.71 million in fiscal 2017. This increase was primarily included processing and labour charges, power and fuel expenses and consumption of stores and consumables. The largest component of the manufacturing expenses are processing and labour charges and power and fuel expenses. Our processing and labour charges increased by ₹ 80.36 million, or by 49.00 %, from ₹ 163.98 million in fiscal 2016 to ₹ 244.34 million in fiscal 2017. Our power and fuel expenses increased by ₹ 25.55 million, or by 18.97 %, from ₹ 134.74 million in fiscal 2016 to ₹ 160.29 million in fiscal 2017. Our consumption of stores and consumables expenses increased by ₹ 26.93 million, from ₹ 9.31 million in fiscal 2016 to ₹ 36.24 million in fiscal 2017.

As a percentage of our total revenue, manufacturing expenses was 7.69 % in fiscal 2016, compared to 11.08 % in fiscal 2017, respectively.

Administrative and selling expenses

Our administrative and selling expenses increased by ₹ 59.74 million, or 20.37 %, from ₹ 293.31 million in fiscal 2016 to ₹ 353.05 million in fiscal 2017. This increase was primarily the result of increase in clearing and forwarding charges and freight outward charges, in fiscal 2017. Our clearing and forwarding charges increased by ₹ 13.61 million, or by 38.88%, from ₹ 35.01 million in fiscal 2016 to ₹ 48.62 million in fiscal 2017. Our freight outwards charges increased by ₹ 14.64 million, or by 9.17 %, from ₹ 159.68 million in fiscal 2016 to ₹ 174.32 million in fiscal 2017. Our administrative and selling expenses included bad debts of ₹ 4.23 million and provision for bad and doubtful debts of ₹ 13.58 million in fiscal 2017. As a percentage of our total revenue, administrative and selling expenses was 6.77% in fiscal 2016 compared to 7.66 % in fiscal 2017, respectively.

EBITDA

Our earnings before interest, tax, depreciation and amortization increased by ₹ 83.03 million, or 11.08 %, from ₹ 749.63 million in fiscal 2016 to ₹ 832.66 million in fiscal 2017. As a percentage of our total revenue our EBITDA was 17.31 % in fiscal 2016, compared to 18.07 % in fiscal 2017, primarily due to high cost of material consumed, purchases of stock-in-trade, changes in inventories of finished goods and manufacturing expenses in fiscal 2016 compared to fiscal 2017.

Depreciation

Our depreciation expense increased by ₹ 19.32 million, or 11.17 %, from ₹ 172.99 million in fiscal 2016 to ₹ 192.31 million in fiscal 2017. As a percentage of our total revenue, depreciation for fiscal 2016 contributed 3.99 %, compared to 4.17 % in fiscal 2017.

Finance costs

Our finance costs decreased by ₹ 29.51 million, or 8.88 %, from ₹ 332.35 million in fiscal 2016 to ₹ 302.83 million in fiscal 2017. This decrease was primarily due to ₹ 239.24 million interest paid on working capital loan, in fiscal 2016 compared to ₹ 217.05 million interest paid in fiscal 2017, along with ₹ 55.26 million interest paid on term loan, in fiscal 2016, compared to ₹ 46.73 million interest paid in fiscal 2017.

As a percentage of our total revenue, our finance costs for fiscal 2016 was 7.67 %, compared to 6.57 % in fiscal 2017.

Profit before tax

As a result of the above, our profit before tax for fiscal 2016 was ₹ 244.30 million, compared to ₹ 337.52 million for fiscal 2017. As a percentage of our total revenue was 5.64 %, for fiscal 2016, compared to 7.32 % in fiscal 2017.

Tax expenses

Our current tax for fiscal 2016 was ₹ 61.42 million, compared to ₹ 88.24 million in fiscal 2017. As a percentage of our total revenue was 1.42 %, for fiscal 2016, compared to 1.91 % in fiscal 2017.

Our deferred tax (net) for fiscal 2016 was liability of ₹ 26.28 million, compared to asset of ₹ 3.21 million in fiscal 2017.

Our MAT credit for fiscal 2016 was ₹ 10.43 million, compared to ₹ 22.45 million in fiscal 2017. As a percentage of our total revenue was 0.24 %, for fiscal 2016, compared to 0.49 % in fiscal 2017.

Profit after tax

Our profit after tax for fiscal 2016 was ₹ 146.16 million, compared to ₹ 230.04 million in fiscal 2017. As a percentage of our total revenue our profit after tax was 3.37 % for fiscal 2016, compared to 4.99 % in fiscal 2017, an increase of 1.62 % primarily due to improvement in EBITDA margin and lower finance costs in fiscal 2017.

fiscal 2016 compared to fiscal 2015

Total Revenue

Our total revenue increased by ₹ 445.91 million, or 11.48 %, from ₹ 3,885.24 million in fiscal 2015 to ₹ 4,331.15 million in fiscal 2016.

Revenue from operations

Our revenue from operations increased by ₹ 459.15 million, or 11.95 %, from ₹ 3,842.15 million in fiscal 2015 to ₹ 4,301.30 million in fiscal 2016.

Revenue from product sales

Our revenue from our product sales increased by ₹ 506.42 million, or 14.10 %, from ₹ 3,591.78 million in fiscal 2015 to ₹ 4,098.20 million in fiscal 2016.

There was an overall increase in revenue from each product line, however, there was a significant increase in our revenue from tomato paste and puree, which increased by 86.91 % in fiscal 2016, compared to fiscal 2015.

Particulars	Fiscal 2015		Fiscal 2016	
	in ₹ million	%	in ₹ million	%
Mango pulp and concentrates	2,674.77	74.47%	2,784.42	67.94%
Tomato paste and puree	207.93	5.79%	388.64	9.48%
IQF fruits and vegetables	323.00	8.99%	437.13	10.67%
Other products	386.08	10.75%	488.01	11.91%
Revenue from product sales	3,591.78	100.00%	4,098.20	100.00%

In fiscal 2016 our revenue from domestic sales increased by ₹448.88 million, or 28.25%, compared to fiscal 2015, primarily due to significant sale of tomato paste and puree. However, our revenue from export sales marginally increased by 2.87 %, compared to fiscal 2015 partially impacted due to regional conflict in the Middle East in fiscal 2015. Consequently, our share from domestic sales increased by 5.48 % in fiscal 2016 compared to fiscal 2015.

Particulars	Fiscal 2015		Fiscal 2016	
	in ₹ million	%	in ₹ million	%
Domestic	1,589.68	44.26%	2,038.56	49.74%
Exports	2,002.10	55.74%	2,059.64	50.26%
Revenue from product sales	3,591.78	100.00%	4,098.20	100.00%

Our product sales contributed 92.45 % of our revenue from operations in fiscal 2015, compared to 94.62 % of our total revenue from operations in fiscal 2016.

License sales

Our license sales decreased by ₹ 63.48 million, or 43.97%, from ₹ 144.36 million in fiscal 2015 to ₹ 80.88 million in fiscal 2016. Our license sales contributed 3.72 % of our revenue in fiscal 2015, compared to 1.87 % of our revenue in fiscal 2016.

Other operating income

Our revenue from other operating income increased by ₹ 16.21 million, or 15.29 %, from ₹ 106.01 million in fiscal 2015 to ₹ 122.23 million in fiscal 2016, primarily due to increase in export incentives and processing and other contract income. Our revenues from export incentives increased by ₹ 12.55 million, or 34.39%, from ₹ 36.50 million in fiscal 2015 to ₹ 49.05 million in fiscal 2016. Our revenues from processing and other contract income increased by ₹ 3.66 million, or 5.27 %, from ₹ 69.51 million in fiscal 2015 to ₹ 73.18 million in fiscal 2016.

Our other operating income contributed 2.73 % of our total revenue in fiscal 2015, compared to 2.82 % of our total revenue from operations in fiscal 2016.

Other income

Our other income decreased by ₹ 13.24 million, or 30.73 %, from ₹ 43.09 million in fiscal 2015 to ₹ 29.85 million in fiscal 2016. This decrease was primarily due to decrease in interest income and miscellaneous income.

Our interest income contributed 73.89 % of our revenue from other income in fiscal 2015, compared to 49.60 % of our revenue from other income in fiscal 2016. Our miscellaneous income contributed 26.11 % of our revenue from other income in fiscal 2015, compared to 4.67 % of our revenue from other income in fiscal 2016.

Expenses

Our total expenses increased by ₹ 314.06 million, or 9.61 %, from ₹ 3,267.46 million in fiscal 2015 to ₹ 3,581.52 million in fiscal 2016.

Cost of materials consumed

Our cost of materials consumed decreased by ₹ 33.86 million, or 1.51 %, from ₹ 2,248.65 million in fiscal 2015 to ₹ 2,214.79 million in fiscal 2016.

Our cost of materials consumed as a percentage of our total revenue was 57.88 % in fiscal 2015, compared to 51.14 % in fiscal 2016.

Purchases of stock-in-trade

Our purchase of stock-in-trade increased by ₹ 16.34 million, or 3.78 %, from ₹ 432.28 million in fiscal 2015 to ₹ 448.61 million in fiscal 2016. Our purchases of stock-in-trade comprises fruit pulps and others. The purchase of stock-in-trade for fruit pulps increased by ₹ 28.42 million, or 7.16 %, from ₹ 396.88 million in fiscal 2015 to ₹ 425.29 million in fiscal 2016. The purchase of stock-in-trade for others decreased by ₹ 12.08 million or 34.12 % from ₹ 35.40 million in fiscal 2015 to ₹ 23.32 million in fiscal 2016. Our purchases of stock-in-trade as a percentage of our total expenses was 11.13 % in fiscal 2015, compared to 10.36 % in fiscal 2016.

Changes in inventories of finished goods

Our opening stock of finished goods was ₹ 1,281.40 million at the beginning of fiscal 2015, while it was ₹ 1,572.60 million at the beginning of fiscal 2016.. Our closing stock of finished goods was ₹ 1,572.60 million at the fiscal 2015, while it was ₹ 1,421.99 at the end of fiscal 2016.

Employee benefit expenses

Our employee benefit expenses increased by ₹10.99 million, or 8.43 %, from ₹ 130.34 million in fiscal 2015 to ₹ 141.33 million in fiscal 2016. This increase was primarily due to increase in salaries, wages and bonus of existing employees. As a percentage of our total revenue, our employee benefit expenses aggregated to 3.35% in fiscal 2015, compared to 3.26 % in fiscal 2016.

Manufacturing expenses

Our manufacturing expenses decreased by ₹ 84.22 million, or 20.19 %, from ₹ 417.09 million in fiscal 2015 to ₹ 332.87 million in fiscal 2016, primarily due to decreased in our processing and labour charges. The largest component of the manufacturing expenses is processing and labour charges and power and fuel expenses. Our processing and labour charges decreased by ₹ 30.82 million, or 15.82 %, from ₹ 194.80 million in fiscal 2015 to ₹ 163.98 million in fiscal 2016. As a percentage of our total revenue, manufacturing expenses was 10.74 % in fiscal 2015, compared to 7.69 % in fiscal 2016, respectively.

Administrative and selling expenses

Our administrative and selling expenses decreased by ₹ 37.01 million, or 11.20 %, from ₹ 330.31 million in fiscal 2015 to ₹ 293.31 million in fiscal 2016. This was primarily the result of decrease in freight outwards charges, clearing and forwarding charges and discount on sales. Our freight outward charges decreased by ₹ 31.62 million, or 16.53 %, from ₹ 191.29 million in fiscal 2015 to ₹ 159.68 million in fiscal 2016. Our clearing and forwarding charges increased by ₹ 16.61 million, or 90.31%, from ₹ 18.40 million in fiscal 2015 to ₹ 35.01 million in fiscal 2016. Our discount on sales decreased by ₹ 7.94 million, or 78.90 %, from ₹ 10.06 million in fiscal 2015 to ₹ 2.12 million in fiscal 2016. As a percentage of our total revenue, administrative and selling expenses was 8.50 % in fiscal 2015 compared to 6.77 % in fiscal 2016, respectively.

EBITDA

Our EBITDA increased by ₹ 131.85 million, or 21.34%, from ₹617.78 million in fiscal 2015 to ₹ 749.63 million in fiscal 2016. As a percentage of our total revenue our EBITDA was 15.90 % in fiscal 2015, compared to 17.31 % in fiscal 2016, an increase of 1.41 % largely due to lower administrative and selling expenses.

Depreciation

Our depreciation expense increased by ₹ 23.08 million, or 15.40 %, from ₹ 149.91 million in fiscal 2015 to ₹ 172.99 million in fiscal 2016. As a percentage of our total revenue, depreciation for fiscal 2015 was 3.86 %, compared to 3.99 % in fiscal 2016.

Finance costs

Our finance costs increased by ₹ 21.53 million, or 6.93 %, from ₹ 310.82 million in fiscal 2015 to ₹ 332.35 million in fiscal 2016. This was primarily due to increase in interest paid on working capital loans, in fiscal 2015 from ₹ 199.38 million compared to ₹ 239.24 million, in fiscal 2016. As a percentage of our total revenue, our finance costs for fiscal 2015 was 8.00 %, compared to 7.67 % in fiscal 2016.

Profit before tax

As a result of the above, our profit before tax for fiscal 2015 was ₹ 157.05 million, compared to ₹ 244.30 million for fiscal 2016. As a percentage, our total revenue was 4.04 %, for fiscal 2015, compared to 5.64 % in fiscal 2016.

Tax expenses

Our current tax for fiscal 2015 was ₹ 36.94 million, compared to ₹ 61.42 million in fiscal 2016. As a percentage of our total revenue was 0.95 %, for fiscal 2015, compared to 1.42 % in fiscal 2016.

Our deferred tax liability (net) for fiscal 2015 was of ₹ 43.96 million, compared to ₹ 26.28 million in fiscal 2016.

Our MAT credit for fiscal 2015 availed was ₹ 24.94 million, compared to utilised ₹ 10.43 million in fiscal 2016.

Profit after tax

Our profit after tax for fiscal 2015 was ₹ 101.10 million, compared to ₹ 146.16 million in fiscal 2016. As a percentage of our total revenue, our profit after tax was 2.60 % for fiscal 2015, compared to 3.37 % in fiscal 2016, an increase of 0.77 % primarily due to improvement in EBITDA margin offset by increase in tax expense.

Financial Condition, Liquidity and Capital Resources

Our business requires working capital, part of which would be met through additional borrowings in the future. In many cases, significant amounts of working capital are required to finance the procurement of raw materials, labour and the upkeep of our production facilities before payments are received from clients. Additionally, our working capital requirements have increased in recent years due to the general growth of our business. All of these factors may result, or have resulted, in increases in our working capital needs. Our primary liquidity requirements have been, and will continue to be, to finance our working capital and capital expenditure requirements which we have primarily met from internal accruals and bank borrowings.

Cash Flows

The following table sets forth selected items from our restated cash flow statement for the periods indicated:

Particulars	Fiscal			Six months ended September 30, 2017
	2015	2016	2017	
	(₹ in million)			
Net cash from operating activities	366.87	645.50	509.38	110.12
Net cash used in investing activities	(549.54)	(327.13)	(269.79)	(9.29)
Net cash generated/used in financing activities	159.18	(324.17)	(238.72)	(17.80)
Net changes in cash and cash equivalents	(23.49)	(5.80)	0.88	83.03
Cash and cash equivalents as at the beginning of period	35.49	12.01	6.21	7.08
Cash and cash equivalents as at the end of period	12.01	6.21	7.08	90.11

Operating Activities

Net cash from operating activities for the six months ended September 30, 2017 was ₹ 110.12 million and our operating profit before working capital changes for that period was ₹ 460.49 million. The difference was primarily attributable to ₹ 402.64 million increase in inventories. This was partially offset by ₹ 128.30 million decrease in short term loans and advances, ₹ 46.35 million increase in short-term provisions and ₹ 21.03 million decrease in other current assets.

Net cash from operating activities in fiscal 2017 was ₹ 509.38 million and our operating profit before working capital changes for that period was ₹ 815.71 million. The difference was primarily attributable to ₹ 347.75 million increase in inventories. This was partially offset by ₹ 90.34 million increase in trade and other payables and ₹ 52.07 million increase in short-term provisions.

Net cash from operating activities in fiscal 2016 was ₹ 645.50 million and our operating profit before working capital changes for that period was ₹ 734.89 million. The difference was primarily attributable to ₹ 146.86 million increase in trade receivables and ₹ 80.09 million increase in short term loans and advances. This was partially offset by ₹ 129.11 million decrease in inventories.

Net cash from operating activities in fiscal 2015 was ₹ 366.87 million and our operating profit before working capital changes for that period was ₹ 585.94 million. The difference was primarily attributable to ₹ 349.69 million increase in inventories. This was partially offset by ₹ 258.57 million by the increase in trade and other payables.

Investing Activities

Net cash used in investing activities for the six months ended September 30, 2017 was ₹ 9.29 million, primarily consisting of purchase of fixed assets of ₹ 85.32 million, partially offset by ₹ 63.87 million refund of margin money deposit.

Net cash used in investing activities in fiscal 2017 was ₹ 269.79 million, primarily consisting of purchase of fixed assets of ₹ 286.83 million. These payments were partially offset by ₹ 40.83 million decrease in other non-current assets and ₹ 15.92 million interest received.

Net cash used in investing activities in fiscal 2016 was ₹ 327.13 million, primarily consisting of purchase of fixed assets of ₹ 328.82 million, partially offset by ₹ 14.80 million interest received.

Net cash used in investing activities in fiscal 2015 was ₹ 549.54 million, primarily consisting of purchase of fixed assets of ₹ 649.39 million. These payments were partially offset by ₹ 81.29 million decrease in other non-current assets and ₹ 31.84 million interest received.

Financing Activities

Net cash used in financing activities for the six months ended September 30, 2017 was ₹ 17.80 million, primarily consisting of payment of interest and finance charges of ₹ 125.54 million and offset by net proceeds of long/short term borrowings of ₹ 107.74 million.

Net cash used in financing activities in fiscal 2017 was ₹ 238.72 million, primarily consisting of payment of interest and finance charges of ₹ 302.83 million and offset by net proceeds of long/short term borrowings of ₹ 64.12 million.

Net cash used in financing activities in fiscal 2016 was ₹ 324.17 million, primarily consisting of payment of interest and finance charges of ₹ 332.35 million, partially offset by net proceeds of long/short term borrowings of ₹ 8.18 million.

Net cash from financing activities in fiscal 2015 was ₹ 159.18 million, primarily consisting of payment of interest and finance charges of ₹ 310.82 million and offset by net proceeds of long/short term borrowings of ₹ 470.00 million.

Indebtedness

As of December 31, 2017, our total outstanding debt was ₹ 2,465.31 million. For further information, see “**Financial Indebtedness**” on page 302 and “**Financial Statements – Restated Consolidated Financial Information - Annexure VIII**” on page 250. The following table sets forth the summary of total outstanding indebtedness:

(₹ in million)		
Particulars	Sanctioned Amount	Outstanding amount as on December 31, 2017
Consolidated		
<i>Fund Based</i>		
Term Loan	594.02	289
Working Capital Loan	3,400.00	2,176.31
Total	3,994.02	2,465.31
Our Company		
<i>Fund Based</i>		
Term Loan	482.1	230.98
Working Capital Loan	2,950.00	1,735.88
Total	3,432.10	1,966.86
Our Subsidiaries		
<i>Fund Based</i>		
Term Loan	111.92	58.02
Working Capital Loan	450	440.43
Total	561.92	498.45
Consolidated		
<i>Non-Fund Based</i>		
Working Capital Loan	650	417.74
Total	650.00	417.74
Our Company		
<i>Non-Fund Based</i>		
Working Capital Loan	600.00	402.28
Total	600.00	402.28

Particulars	Sanctioned Amount	Outstanding amount as on December 31, 2017
Our Subsidiaries		
<i>Non-Fund Based</i>		
Working Capital Loan	50	15.46
Total	50	15.46

Commitment Obligations – Contingent Liabilities and Capital and Other Commitments

The following table sets forth the principal components of our contingent liabilities and capital commitments:

(₹ in million)				
Particulars	Fiscal 2015	Fiscal 2016	Fiscal 2017	Six months ended September 30, 2017
Demand from Income Tax authorities	41.31	226.67	371.28	506.48
Demand from Excise Duty authorities	-	-	1.35	62.84
Tamil Nadu Value Added Tax demand	-	85.63	85.63	96.41
Agricultural marketing committee	-	85.62	85.62	85.62
Andhra Pradesh Value Added Tax demand	15.53	15.68	15.68	15.68
Creditor claim under litigation	4.54	4.54	4.54	4.54
Claim by Triguni Food Private Limited	5.00	5.00	5.00	5.00
Estimated amount of contracts remaining to be executed on capital account and not provided for	17.37	5.74	15.00	92.49
Letters of credit issued by bank on behalf of the Company	207.31	234.17	247.86	156.52
Export obligations remaining to be fulfilled in respect of EPCG Licenses	-	-	5.40	1.42
Bank guarantees	2.50	0.35	201.60	209.09
Corporate guarantee extended to bank in respect of loan to Gonglu Agro Private Limited	689.20	689.20	689.20	660.70
Corporate guarantee extended to bank in respect of loan to Company in which Director is interested	200.00	200.00	200.00	-
Additional Central Sales Tax payable due to non-receipt of C-Form from customers	0.32	7.44	56.30	10.32

*Note: Additional CST payable due to non-receipt of Form-C from customers represents current status of pending forms of the respective prior year.

Off-balance Sheet Arrangements

As of September 30, 2017, there are no other off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Related Party Transactions

We have entered into and expect to enter into transactions with a number of related parties, including our Promoter. For further information regarding our related party transactions, see “*Restated Consolidated Statement of Related Party Transactions*” under Annexure XXIV, under “*Financial Statements*” on page 198. Further also see below the rental agreements entered by us for related party transactions.

Significant Developments after September 30, 2017

- Pursuant to a family settlement agreement dated October 25, 2017 (the “**Family Settlement Agreement**”), Rahoul Jain along with his wife Shuchi Jain and his son Rishabh Jain have disassociated themselves with certain of their immediate relatives, namely, Manmohan Singh Jain (Rahoul Jain’s father), Kiran Jain (Rahoul Jain’s mother), Mr. Atul Jain (Rahoul Jain’s brother) and Meghna Jain (Rahoul Jain’s sister).

Further, the following arrangements have also been entered between parties:

- Rental Agreement dated November 18, 2017 between Rahoul Jain, Shuchi Jain and our Company by way of which, the land measuring 14.675 acres, along with all structures situated at Chittoor District, Tirupati Sri Balaji Registration District, Sathyavedu Sub-Registration District, Sathyavedu Mandal, Chinna Ettipakkam Gram Panchayat Limit, Chinna Ettipakkam Village, has been given on rent by Rahoul Jain and Shuchi Jain to our Company for our production facility.
- Rental Agreement dated November 18, 2017 between Rahoul Jain and our Company by way of which, the land measuring 3.02 acres, along with all structures situated at Chittoor District, Tirupati Sri Balaji Registration District, Sathyavedu Sub-Registration District, Sathyavedu Mandal, Chinna Ettipakkam Gram Panchayat Limit, Chinna Ettipakkam Village, has been given on rent by Rahoul Jain to our Company for our production facility.
- Rental Agreement dated November 17, 2017 between Rahoul Jain and the Company by way of which, the land situated at plot no.3148, bearing door no. AH 216, 2nd Street, 8th Main Road, Shanthi Colony, Anna Nagar, Chennai 600 040, has been given on rent by Rahoul Jain to our Company for our Registered and Corporate Office.
- On December 11, 2017, we issued 720,000 Equity Shares on a rights basis to our Promoter and CMD, Rahoul Jain. For further information, see “**Capital Structure**” on page 84.
- We had commenced sale of RTE dehydrated and heat-and-serve meals under the brand ‘Tiffin-To-Go’ in fiscal 2015. On January 16, 2018, we have transferred certain intangible assets (including brand name and goodwill) of the RTE business to SBL, a Group Company, with effect from April 1, 2018. We have also entered into a contract manufacturing and packaging agreement dated January 16, 2018, with SBL for the manufacture of RTE products, with effect from April 1, 2018. For further information, see “**Our Business**” on page 147.

Except as stated above, there are no developments after September 30, 2017 that we expect to have a material impact on our reserves, profits, earnings per Equity Share, book value or ability to pay our liabilities within the next 12 months.

Quantitative and Qualitative Disclosure about Market Risks

General market risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the foreign currency exchange rates, interest rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, foreign currency payables and debt. We are exposed to various types of market risks, in the normal course of business.

Commodity price risk

We are exposed to market risk with respect to the prices of certain raw materials used for our products. These commodities include fruits and vegetables including mangoes and tomatoes and required packaging material. The costs for these raw materials are subject to fluctuation based on commodity prices. We are particularly exposed to fluctuations, including in the prices of mango, tomato and plastic, as well as their unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers. We do not enter into fixed price or forward contracts in relation to procurement of these materials.

Interest rate risk

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to an extent by debt and, therefore, increases in interest expense may have an adverse effect on our results of operations and financial condition. Although we may engage in hedging transactions from time to time or may exercise any rights available to us under our financing arrangements from time to time to terminate our existing debt financing arrangements and enter into new or modified financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that

these agreements, if entered into, will protect us adequately against interest rate risks.

Foreign exchange rate risk

Our financial statements are presented in Indian Rupee, however, our revenues are influenced by currencies of those countries where we export our products. Therefore, changes in currency exchange rates influence our results of operations. A major portion of our revenues, particularly relating to our exports, is denominated in currencies other than Indian Rupees. The depreciation of the Indian Rupee against these foreign currencies may adversely affect our results of operations by increasing the cost of financing any debt denominated in foreign currency that we may enter into or proposed capital expenditure, if any, in foreign currencies. We are also impacted by fluctuations in the exchange rate between Indian Rupee and certain foreign currencies. Although we may enter into hedging transactions from time to time to minimize our currency exchange risks, there can be no assurance that any such measures, if and when undertaken, will enable us to completely offset the effect of any adverse fluctuations in the value of the Indian Rupee against the relevant foreign currencies.

Inflation Risk

Inflationary factors such as increases in the cost of our product and overhead costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain current margins if the selling prices of our products do not increase with these increased costs.

Liquidity Risk

We face the risk that we will not have sufficient cash flows to meet our operating requirements and our financing obligations when they become due. We manage our liquidity profile through the efficient management of existing funds and effective forward planning for future funding requirements. Going forward, and to the extent we are able to do so, we intend to primarily use cash flows from our business operations and proceeds from the equity offerings to meet our financing requirements.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly or at all, we may have to make provisions for or write-off such amounts. Our trade receivables were ₹ 629.44 million, ₹ 839.31 million, ₹ 811.59 million and ₹ 828.36 million, respectively for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

Unusual or infrequent events or transactions

Except as discussed in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

Significant economic changes

Except as discussed in this Draft Red Herring Prospectus, to our knowledge, there have been no significant economic changes that are likely to have a material adverse impact on our operations or financial condition.

Known trends or uncertainties

Our business has been, and we expect will continue to be, impacted by the trends identified in this section and the uncertainties described in “**Risk Factors**” on page 17. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors, which we expect to have a material adverse impact on our revenues or income from continuing operations.

Future changes in relationship between costs and revenues

Except as described in this section and in “**Risk Factors**” and “**Our Business**” on pages 17 and 147, respectively, to our knowledge, there is no future relationship between expenditure and income that will have a material adverse impact on our operations and finances.

Extent to which material increases in net sales or revenue are due to increased sale volume, introduction of new products or services or increased sales prices

The extent to which material increases in net sales or revenue are due to increased sale volume, introduction of new products or services or increased sales prices is discussed in this section above.

Significant regulatory changes that materially affected or are likely to affect income from continuing operations

Except as described in “**Key Regulations and Policies in India**” on page 167, there have been no significant regulatory changes that have materially affected or are likely to affect our income from continuing operations.

The extent to which our business is seasonal

Our business experiences seasonal variations, with the first quarter and the last quarter of the fiscal year typically recording higher sales, and the third quarter of the fiscal typically recording lower sales. Our sales are also weather dependent in as much as a cool summer season, a strong monsoon and winter season generally result in lower sales volumes for us. However, where hot summer and weak monsoon conditions would typically cause a rise in demand for the end products for which our finished products are used. Further, mango being the tropical fruit is seasonal and the peak harvesting season, which varies from state to state, is typically around April to June of the year. Though, we procure mangoes as a raw material during this harvest period, our processed mango pulp and concentrate has a shelf life typically of about 18-24 months. Our revenues from mango pulp and concentrates, therefore, to that extent is not impacted by seasonality. Our first and the last quarters contributed 58.76% and second and third quarters contributed 41.24% in FY17. Unlike mango and other tropical fruits, tomato has two seasons although recently fluctuations in tomato pricing has made one seek stable processed options. Thus, our sales are dependent on seasonal variations and seasonal weather changes. See “- **Key Factors Affecting our Results of Operations - Availability and price of raw materials and seasonality**” on page 270.

Also see, “**Risk Factors – The supply of some of the fruits and vegetables as our raw material is subject to seasonal factors, and does not necessarily match the seasonal change in demand for our products, and the end uses for such products, which may have an adverse effect on our business, financial condition, results of operations and prospects.**” on page 19.

Competitive conditions

The global fruit-based ingredients industry is highly fragmented, with numerous international and local companies competing for market share. The market is extremely fragmented with the top five players accounting for only 9% of the global market. Medium and small players hold almost 90.5% of the global market share. Typically, it is local players who control a major share of that region. India is one of the largest producers of fruits and vegetables in the world, however, a large part of the industry is focused on exports. Domestically, the fruit based ingredients market is valued US\$ 350 million in 2016; is likely to touch US\$ 645 million by 202 at a CAGR of 13.6%. Additionally, fruit based ingredients are exported to many countries including the United States, Russia and the Middle East, indicating the high potential for industry in India. However, due to the dearth of technological know-how, research activities, storage and logistics (cold chain), only a very small portion of the local fruits and vegetable produce is processed in the country. As a result, many international fruit-based ingredient manufacturers are expanding their processing facilities across various locations in emerging economies such as India, China and Brazil to gain a worldwide consumer base. India being one of the largest mango producing countries, many major players happen to be from here. Mexican players export large quantities to the USA. There are numerous manufacturers globally, many also forward integrated; therefore, a clear cut segregation of market share is difficult at a global level. (Source: Frost & Sullivan Report)

For further details, see “**Industry Overview**” and “**Our Business - Competition**” on pages 113 and 164, respectively.

Qualifications, reservations, and adverse remarks in the last five fiscal years

There are no qualifications, reservations and adverse remarks by our statutory auditor for the previous five fiscal years.

Segment Reporting



The entire operations of our Company has been considered as representing a single segment as our Company is primarily engaged in the supply of fruit based ingredients segment.

Client concentration

Our top customer accounted for 13.31 %, 10.21 %, 15.67 %, and 9.86 % of our revenue from product sales for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. Our top five customers accounted for 39.58 %, 30.73 %, 34.41 %, and 29.14 % of our revenue from product sales for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively. Our top 10 customers accounted for 50.13 %, 43.01 %, 44.77% and 41.65% of our revenue from product sales for fiscals 2015, 2016 and 2017, and the six months ended September 30, 2017, respectively.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND (AS)

Our company has prepared and presented its audited financial statements in accordance with Indian GAAP, which differs in certain material respects from IND-AS.

The financial information included in the section “Financial Statements” have been prepared on the basis of our Company’s audited financial information, restated in accordance with the SEBI ICDR Regulations. (“**Restated Indian GAAP**”)

The matters described below summarize certain key differences between Indian GAAP and Ind-AS as applicable to the presented Restated Indian GAAP financial statement. No numerical reconciliation of the financial position and results of operations under Indian GAAP and under Ind-AS have been included in this Draft Red Herring Prospectus (DRHP). Therefore, we are not in a position to state as to how our financial position and the results of operations would be impacted when computed under Ind-AS.

In making an investment decision, investors must rely upon their own examination of our Company, the terms of the offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between Indian GAAP and Ind-AS, and how those differences might affect the financial information included in this Draft Red Herring Prospectus.

Ind AS	Particulars	Indian GAAP	Ind AS
Ind AS 1	Presentation	<p>Other Comprehensive Income & Statement of Changes in Equity: There is no concept of ‘Other Comprehensive Income’ and ‘Statement of changes in equity’ under Indian GAAP.</p> <p>Extraordinary items: Under Indian GAAP, Company discloses extraordinary items separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income</p>	<p>Other Comprehensive Income: Introduces the concept of Other Comprehensive Income (“OCI”). Items of income and expenses that are not recognized in profit and loss as required or permitted by other Ind ASs are presented under OCI</p> <p>Statement of Changes in Equity: On the face of the Statement of Changes in Equity, the following should be disclosed.</p> <p>a. Total comprehensive income for the period, showing separately the total amounts attributable to owners of the parent and to non- controlling interest.</p> <p>b. For each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately disclosing changes resulting from:</p> <p>(i) Profit or Loss,</p> <p>(ii) Each item of Other comprehensive Income,</p> <p>(iii) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control,</p> <p>(iv) Any item recognized directly in equity such as bargain purchase gain recognized directly in capital reserve in accordance with Ind AS.</p> <p>Extraordinary items: Under IND AS, presentation of any items of income or expense as extraordinary is prohibited</p>

Ind AS	Particulars	Indian GAAP	Ind AS
		and expenses to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	
IND AS 2	Inventories	Deferred Settlement basis: Under Indian GAAP there is no guidance on inventory acquired on deferred settlement basis.	Deferred Settlement basis: As per IND AS, excess over normal price is to be accounted as interest over the period of financing
IND AS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Change in Accounting Policy: Under Indian GAAP, Company discloses changes in accounting policies by presenting in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same is appropriately disclosed. Change in Method of Depreciation: Change in accounting policy Accounting for prior period errors Effect given in current year with disclosures / no restatement of prior years. Accounting pronouncement yet to come into effect No disclosure required	Change in Accounting Policy: Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise. Change in Method of Depreciation: Change in accounting estimate Accounting for prior period errors Ind AS 8 requires retrospective restatement of prior period figures by restatement of opening balances of assets, liabilities and equity for the earliest period practicable – balance flows thru opening reserve Accounting pronouncement yet to come into effect Disclosure required. Also estimation of possible impact on adoption needs to be disclosed.
IND AS 16	Property, plant and equipment reviewing depreciation and residual value	Depreciation Under Indian GAAP, our Company currently provides Depreciation on written down value basis over the estimated useful life of the assets.	Depreciation Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to

Ind AS	Particulars	Indian GAAP	Ind AS
		Repairs, maintenance and overhauling Expense off	be carried forward as the cost under Ind 31AS. Repairs, maintenance and overhauling Major repairs and overhaul expenditure are capitalized as if it is a separate component.
IND AS 12	Deferred Taxes	Under Indian GAAP, the Company account for Deferred Tax resulting from “timing differences” between taxable and accounting income using the tax rates and laws that have been substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base. Using the balance sheet approach, there could be additional deferred tax charge/income on account of: i. All Ind AS opening balance sheet adjustments. ii. Actuarial gain and losses accounted in Other Comprehensive Income. iii. Indexation of freehold land. iv. Fair valuation adjustments (employee loans, security deposits etc.)
IND AS 19	Accounting for Employee Benefits	Currently under Indian GAAP, the Company recognizes its liability for Employee Benefits as given below: i. Liability towards Gratuity is considered as the defined benefit scheme and is recognized on the basis of actuarial valuation on projected unit credit method at balance sheet date. ii. Earned Leave which is encash able is considered as long term benefit and is provided on the basis of actuarial valuation on projected unit credit method at balance sheet date. iii. The benefits in the form of contribution to Provident Fund and Employee State Insurance are considered as the defined contribution schemes and are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employees. Therefore, the Company Recognizes all short term and long term employee benefits in the Statement of profit and loss.	Under Ind AS 19, the change in liability is split in to changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re-measurement. Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re- measurements are to be recognized directly in Other Comprehensive Income.
IND AS 113	Fair Value Measurement	Under Indian GAAP, there is no framework for measuring fair value for financial reporting.	Under IND AS , Company should requires the following to be considered in fair value measurement: (a) The particular asset or liability that is subject of the measurement, (b) The principal market for the asset or liability, (c) The market participant; and

Ind AS	Particulars	Indian GAAP	Ind AS
			<p>(d) The price</p> <p>In addition, there are specific consideration for the fair value measurement of:</p> <p>(a) Non- financial assets,</p> <p>(b) Liabilities</p> <p>(c) Equity, and</p> <p>(d) Financial instruments.</p>
IND AS 107 & 109	Financial Instruments: Disclosures & Financial Instruments: Recognition and Measurement	Classification of Investment As per AS-13 investment if classified as held to maturity or loans and receivables, they are carried at cost. Unrealized gains and losses on “Fair value through profit or loss” classification is recognized in the income statement and on “Available for sale” classification is taken to equity	Classification of Investment Long-term investments are carried at cost less impairment, if any Current investments are carried at lower of cost and fair value.
		Non-current investment in equity shares Equity investments is recognised under IGAAP at cost.	Non-current investment in equity shares (Quoted): Equity instruments and derivatives are normally classified as FVTPL. However, on initial recognition, our Company may make an irrevocable election (on an instrument-by instrument basis) to classify equity instruments as FVOCI, provided it is neither held for trading. Investment in the Equity Instrument (Unquoted): Measured at Fair Value at the time of initial recognition/subsequent reporting date, if sufficient information are available; Measured at Cost at the time of initial recognition/subsequent reporting date, if sufficient information are not available, or if a wide range of possible fair values are available and cost represents the best estimate of fair value within the range.
		Investments in mutual fund: Investment in liquid mutual funds which are valued at cost.	Investments in mutual fund: A debt instrument is normally measured at amortised cost if both of the following conditions are met: <ul style="list-style-type: none"> the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding Debt instrument is normally measured at FVOCI if both of the following conditions are met: <ul style="list-style-type: none"> the asset is held within a business model in which assets are managed to achieve a particular objective by both collecting contractual cash flows and selling financial assets; and

Ind AS	Particulars	Indian GAAP	Ind AS
			<ul style="list-style-type: none"> the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding <p>A debt instrument which is not measured at amortised cost or at FVOCI must be measured at FVTPL.</p>
		Security Deposit: Rent deposits, utility deposits and other deposits with government agencies etc. which are valued at cost.	Security Deposit: A debt instrument is measured at either amortised cost or FVOCI or FVTPL.
		Loans and Advances given to related parties: Long term interest bearing loans of related parties are valued at cost.	Loans and Advances given to related parties: A debt instrument is measured at either amortised cost or FVOCI or FVTPL.
		Provision for Doubtful Debts: Currently our Company makes provision for trade receivables on specific/individual basis Currently the provisioning for impairment is event driven and no assessment is undertaken till the time default has actually occurred	Provision for Doubtful Debts: Ind AS 109 requires an entity to apply the simplified approach of impairment recognition for trade receivables Ind AS 109 allows the use of practical expedients when measuring expected credit losses, and states that a provision matrix is an example of such an expedient for trade receivables. The simplified approach does not require an entity to track the changes in credit risk, but instead requires the entity to recognise a loss allowance based on twelve months expected credit losses at each reporting date. As per Ind AS 109, an entity has to keep track of the credit risk of its financial instruments to determine whether there has been change in credit risk since initial recognition. Standard requires entity to provide for 12-month expected credit losses (ECL) on initial recognition i.e. day one and subsequently at each reporting date an entity has assess whether there has been improvement or deterioration in credit risk accordingly there can be a shift from 12 months expected credit loss model to lifetime expected credit losses and vice versa.
		Long Term Loans & Debenture: Long term secured loans and Non-Convertible Debentures are taken at floating/fixed interest rate. Some of the features of loans are: <ul style="list-style-type: none"> Moratorium period. Processing fees and transaction cost The loans are currently recognised at the face value / nominal value. 	Long Term Loans & Debenture (Financial Liability): Classification: All financial liabilities are measured at amortised cost except for following <ul style="list-style-type: none"> Financial liabilities that held for trading Financial liabilities that are designated as FVTPL on initial recognition

Ind AS	Particulars	Indian GAAP	Ind AS
		<ul style="list-style-type: none"> The interest charge on the loan is recognised on accrual basis at actual amounts. Transaction costs on major borrowings have been already debited to profit and loss as and when incurred. Whereas transaction costs of few loans are amortized over the period of loan. 	<ul style="list-style-type: none"> Contingent consideration recognised by an acquirer in a business combination Financial Guarantee Contract; Loan Commitment at below market interest rate; Financial Liability arising out of de recognition of Financial Asset that does not qualify for de recognition. <p>Initial Measurement: On initial recognition, financial liabilities are measured at fair value, but adjusted in respect of any transaction costs that are incremental and directly attributable to</p> <ul style="list-style-type: none"> Acquisition or issue of instrument. Transaction costs are incremental costs that are directly attributable to acquisition of financial liability. <p>Subsequent Measurement:</p> <ul style="list-style-type: none"> Liabilities should be measured at amortised cost using effective interest method with gains and losses recognised in profit or loss through the amortisation process as well as when the instrument is derecognised. Interest expense to be charged during the moratorium period as per effective interest rate method
		<p>Hedging:</p> <p>Hedge Accounting Policy and all the derivatives transaction are accounted for as per the principles of AS-11 and guidelines provided by ICAI from time to time.</p> <p>In respect of transactions covered by Forward/Future Contracts (except against firm commitments and highly probable forecast transactions), the premium or discount arising at the inception of Forward/Future Contracts entered into to hedge an existing asset/liability, is amortised over the life of the contract. Exchange differences on such contracts between rate at the inception of such contracts and rate on the reporting date are recognised as income or expense for the period.</p> <p>Outstanding Forward/Future contracts against firm commitments and highly probable forecast transactions and derivative contracts, other than those stated above, are marked to market and the resulting loss, if any, is charged to the Statement of Profit & Loss. Gain, if any, on such marking to market is not recognised as a prudent accounting policy</p>	<p>Hedging:</p> <p>The entity may choose to designate a hedging relationship between a hedging instrument and a hedged item in accordance with the guidelines prescribed under Ind As 109. For hedging relationships that meet the qualifying criteria, the entity shall account for the gain or loss on the hedging instrument and the hedged item in accordance with the guidelines prescribed under Ind As 109</p>
IND AS 37	Provisions, Contingent	Discounting Prohibited	Discounting

Ind AS	Particulars	Indian GAAP	Ind AS
	Liabilities and Contingent Assets	<p>Restructuring provision Provision based on legal obligation</p> <p>Contingent asset Disclosure not permitted</p>	<p>Any long term provision or other Non-Current Liability will be discounted and increase in provision due to passage of time will be treated as finance cost.</p> <p>Restructuring provision Provision based on constructive obligation</p> <p>Contingent asset Disclosure required</p>
IND AS 108	Operating Segments	<p>Treatment of associates and JV's in CFS: AS 17 is silent on the aspect of treatment in consolidated financial statements.</p> <p>Reportable Segment Under AS 17, no external customer is required to constitute a segment</p> <p>Vertical Segments AS 17 does not make any distinction between vertically integrated segment and other segments</p>	<p>Treatment of associates and JV's in CFS: If JV based on proportionate consolidation, then segment reporting is matched with the total reported numbers. JV/associate equity accounted is allocated to a predominant segment or else would be disclosed as a reconciling item</p> <p>Reportable Segment Ind AS 108 provides that a business segment can be treated as reportable segment only if, inter alia, majority of its revenue is earned from sales to external customers.</p> <p>Vertical Segments Ind AS 108 encourages reporting of vertically integrated activities as separate segments but does not mandate the disclosure.</p>
IND AS 110	Consolidated Financial Statements	<p>Preparation of CFS Mandatory for listed companies as per SEBI rules</p> <p>Separate Financial Statements Are required to prepare separate financial statements as per statute</p> <p>Control Over composition of Board of Directors. For voting rights not considering concurrently exercisable voting rights.</p> <p>Minority Interest Disclosed separately from liability and equity</p> <p>Goodwill Determination Based on Carrying Value</p>	<p>Preparation of CFS Mandatory for all enterprises (certain exceptions) – Minority Interest holders informed / not listed (or) process of listing / ultimate parent company prepares CFS</p> <p>Separate Financial Statements Only if local regulations so require.</p> <p>Control An investor controls an investee if and only if the investor has all the following: (a) power over the investee; (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's returns</p> <p>Minority Interest Disclosed separately in equity</p> <p>Goodwill Determination Based on fair Value</p>
Ind AS 111 & 112	Investment in Associates, Joint Arrangements ; Disclosure of Interests in Other Entities	<p>Determination of significant influence Potential voting rights not considered</p> <p>Goodwill Determination Based on Carrying Value</p>	<p>Determination of significant influence Potential voting rights currently exercisable considered.</p> <p>Goodwill Determination Based on fair Value</p>

Ind AS	Particulars	Indian GAAP	Ind AS
		Impairment If decline in value of investment in an associate is permanent, provision for diminution to be made. Impairment testing is not required under AS 23 Method of Accounting for joint ventures Proportionate consolidation Accounting for subsidiary where joint control is established Accounting for subsidiary where joint control is established through contractual agreement should be done as subsidiary – i.e., full consolidation.	Impairment Under IND AS 111 it is necessary to subject the investments in associates/joint ventures to the test of impairment Method of Accounting for joint ventures Proportionate consolidation or Equity Method Accounting for subsidiary where joint control is established Accounting for subsidiary where joint control is established through contractual agreement should be done as joint venture, i.e., either proportionate consolidation or equity accounting
Ind AS 20	Government Grants	AS 12 Recognise government grants having the nature similar to those of promotor contribution should be credited to capital reserve and treated as a part of shareholders fund.	AS per Ind AS 20 all government grants would have certain obligations attached to them and it accordingly requires all grants to be recognised as income over the periods which bear the cost of meeting the obligation.
Ind AS 23	Borrowing Cost	Borrowing cost includes <ul style="list-style-type: none"> • Interest and commitment charges on bank borrowings and other short term and long term borrowings • Amortisation of discounts or premium relating to borrowings • Amortisation of ancillary cost incurred in connection with the arrangement of borrowings. 	Ind as 23 requires to calculate the interest expenses using the effective interest rate method as described in Ind AS 109.
Ind AS 24	Related party Disclosure	Relative AS 18 Covers the spouse, son, daughter brother, sister, father and mother who may be expected to influence or be influenced by that individual in his/her dealing with our company Post-employment Benefits AS 18 does not specifically requires to disclose Post-employment benefits of Related party.	Relative Family members who may be expected to influence or be influenced by that person in their dealing with the entity. Post-employment Benefits Ind AS 23 specifically requires to disclose Post-employment benefits of Related party.

The above is not an exhaustive list of differences between Indian GAAP and Ind AS, rather it indicates only those key differences which are considered to be more relevant to the financial position and results of operations of our Company and does not cover all differences regarding presentation, classification and disclosure requirements applicable under Indian GAAP and Ind AS. No numerical reconciliation of the financial position and results of operations under Indian GAAP and under Ind AS have been included.

FINANCIAL INDEBTEDNESS

Pursuant to our Articles of Association, subject to applicable law and pursuant to a resolution passed by the Shareholders of our Company passed at the extraordinary general meeting held on March 26, 2016, our Board has been authorized by our Company to borrow sums of money for general corporate purposes of our Company with or without security on such terms and conditions as the Board may think fit, which, together with the monies borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business) shall not exceed ₹ 5,000 million.

For the Offer, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities including for change in capital structure, change in shareholding pattern, reconstitution of the Board and change or amendment to the constitutional documents of the Company

As of December 31, 2017 the total outstanding borrowings of our Company and our Subsidiaries, on a consolidated basis is ₹ 2,465.31 million.

Secured borrowings of our Company and our Subsidiaries

Set forth below is a brief summary of our Company's and our Subsidiary's aggregate term loan borrowings as on December 31, 2017:

(₹ in million)		
Particulars	Sanctioned Amount	Outstanding Amount (As on December 31, 2017)
Consolidated		
Fund Based		
Term Loan	594.02	289
Working Capital Loan	3,400.00	2,176.31
Total	3,994.02	2,465.31
Our Company		
Fund Based		
Term Loan	482.1	230.98
Working Capital Loan	2,950.00	1,735.88
Total	3,432.10	1,966.86
Our Subsidiaries		
Fund Based		
Term Loan	111.92	58.02
Working Capital Loan	450	440.43
Total	561.92	498.45
Consolidated		
Non-Fund Based		
Working Capital Loan	650	417.74
Total	650.00	417.74
Our Company		
Non-Fund Based		
Working Capital Loan	600.00	402.28
Total	600.00	402.28
Our Subsidiaries		
Non-Fund Based		
Working Capital Loan	50	15.46
Total	50	15.46

A) **Outstanding indebtedness under term loans that are utilized to meet the purpose for which they were raised:**

Our Company

(₹ in million)

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
State Bank of India (i)Sanction letter dated August 20, 2013;	Term Loan I	182.00	5.41	<p><u>Tenor and Repayment:</u> Payable in 48 monthly instalments starting from April 2014 till March 2018</p> <p><u>Interest rate:</u> 13.30% p.a as of December 31, 2017</p> <p><u>Penalty:</u> Waiver of 50% pre-payment penalty if the pre-payment is made from infusion of additional capital</p>
(ii)Sanction letter dated February 14, 2015	Term Loan II		26.15	<p><u>Tenor and Repayment:</u> Payable in 48 monthly instalments with a moratorium period of one year</p> <p><u>Interest rate:</u> 13.30% p.a as of December 31, 2017</p>
(iii) Sanction letter dated February 27, 2017	Term Loan III		10.02	<p><u>Tenor and Repayment:</u> Payable in 48 monthly instalments with a moratorium period of one year</p> <p><u>Interest rate:</u> 10.60% p.a as of December 31, 2017</p> <p><u>Penalty:</u> 2 % of the pre-paid amount</p>
(iv) Sanction letter dated February 27, 2017	Buyer's Credit (Foreign Currency)		22.98* [^] [^] after adjusting for margin money of ₹8.64Mn	<p><u>Tenor and Repayment:</u> Payable in 48 monthly instalments with a moratorium period of one year</p> <p><u>Interest rate:</u> 10.60% p.a as of December 31, 2017</p> <p><u>Penalty:</u> 2 % of the pre-paid amount</p>
(i) Sanction letter dated October 18, 2013	Term Loan I	149.00	3.12 [#]	<p><u>Tenor and Repayment:</u> Payable in 48 monthly instalments starting from April 2014.</p> <p><u>Interest rate:</u> 5% p.a as of December 31, 2017</p> <p><u>Penalty :</u>Our Company would have an option to prepay the loan amount without any pre-payment penalty within 45 days of reset of the “spread”, provided that an irrevocable notice to prepay has been given to the lender by our Company within 15 days of reset of the “spread”.</p> <p>Except as stated above, if our Company wishes to prepay the facility, there will be a penalty of 1% imposed on the principal amount and our Company has to give a 15 days' notice to the lender.</p>
(ii) Sanction letter dated April 10, 2014	Term Loan II		17.76 [#]	<p><u>Tenor and Repayment:</u> Payable in 54 monthly instalments starting from October 2014.</p> <p><u>Interest rate:</u> 5.27% p.a as of December 31, 2017</p>

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
(iii) Sanction letter dated March 28, 2017	Term Loan III		32.05#	<p><u>Tenor and Repayment</u> : Payable in 48 monthly instalments</p> <p><u>Interest rate</u>: 6.20% p.a as of December 31, 2017</p> <p><u>Penalty</u>: Pre-payment penalty will be communicated at the time of pre-payment</p>
Indian Bank Sanction letter dated February 14, 2015	Term Loan	83.60	15.99	<p><u>Tenor and Repayment</u>: Payable in 60 monthly instalments after a moratorium period of 12 months</p> <p><u>Interest rate</u>: 12.10% p.a as of December 31, 2017</p>
Indian Bank Sanction letter dated February 14, 2015	Buyer's Credit (Foreign Currency)		30.94*	<p><u>Tenor and Repayment</u>: Payable in 60 monthly instalments after a moratorium period of 12 months</p> <p><u>Interest rate</u>: 12.10% p.a as of December 31, 2017</p>
Citi Bank Sanction letter dated April 27, 2017	Term Loan	67.50	11.34	<p><u>Tenor and Repayment</u>: Payable in five years with an initial moratorium period of one year</p> <p><u>Interest rate</u>: 10% p.a as of December 31, 2017</p> <p><u>Penalty</u> : Pre-payment penalty at the rate of 2% of the sanction amount or principal outstanding, whichever is higher, at the discretion of the lender</p>
Citi Bank Sanction letter dated April 27, 2017	Buyer's Credit (Foreign Currency)		55.22#	<p><u>Tenor and Repayment</u>: Payable in five years with an initial moratorium period of one year</p> <p><u>Interest rate</u>: 10% p.a as of December 31, 2017</p> <p><u>Penalty</u> : Pre-payment penalty at the rate of 2% of the sanction amount or principal outstanding, whichever is higher, at the discretion of the lender</p>

Gonglu Agro Private Limited

(₹ in million)

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
Axis Bank Term loan agreement dated May 27, 2017	Term loan	111.92	58.02	<p><u>Tenor and Repayment</u>: Payable within five months to 20 months from the date of the sanction of the facility.</p> <p><u>Interest rate</u>: 10.75% p.a as of December 31, 2017</p> <p><u>Penalty</u>: i) Pre-payment without any pre-payment penalty or premium in the following circumstances – penal charges are levied at 2% in case of pre-payment or take over of term loan facilities by any other bank</p>

				or financial institution; ii)Pre-payment penalty or premium in all other circumstances (excluding (i))
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B) Outstanding balances as on December 31, 2017, which are utilized for working capital purposes:

Secured Loans- Fund based

(₹ in million)

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
State Bank of India Sanction letter dated February 27, 2017;	Working capital consortium facility for working capital requirements	850.00	Cash Credit 390.17 PCFC 159.82#	<u>Tenor and Repayment:</u> Payable in 48 monthly installments with a moratorium period of one year <u>Interest rate:</u> Cash Credit 10.90% p.a as of December 31, 2017 PCFC 2.45% p.a as of December 31, 2017
IDBI Bank Sanction letter dated March 13, 2017,	Working capital consortium facility for working capital requirements	450.00	Cash Credit 64.30 PCFC 99.61* PCFC 94.64#	<u>Tenor and Repayment:</u> Payable on or before February 23, 2018 <u>Interest rate:</u> Cash Credit 11.15% p.a as of December 31, 2017 PCFC 1.30% p.a as of December 31, 2017
RBL Bank Sanction letter dated April 4, 2017;	Working capital consortium facility for working capital requirements	200.00	Cash Credit 110.21	<u>Tenor and Repayment:</u> Payable on demand for certain sub-limits and repayable at the expiry of six to twelve months for certain sub-limits <u>Interest rate:</u> 10.5% p.a as of December 31, 2017
Indian Bank Sanction letter dated April 3, 2017;	Working capital consortium facility for working capital requirements	200.00	Cash Credit 88.09	<u>Tenor and Repayment:</u> Payable in 60 monthly instalments from the date of the first availment after a holiday period of one year <u>Interest rate:</u> 10.65% p.a as of December 31, 2017
ICICI Bank Limited Sanction letter dated March 28, 2017;	Working capital consortium facility for working capital requirements	100.00	-	<u>Tenor and Repayment:</u> Payable within 270 days to 360 days from the date of sanction of the facility <u>Interest rate:</u> 12.45% p.a as of December 31, 2017 <u>Penalty:</u> Pre-payment penalty would be communicated at the time of pre-payment
DBS Bank Limited Sanction letter dated May 25, 2017	Working capital consortium facility for working capital requirements	200.00	Cash Credit 118.36	<u>Interest rate:</u> 10% p.a as of December 31, 2017
Citi Bank Sanction letter dated April 27, 2017	Working capital consortium facility for working capital requirements	250.00	Cash Credit 6.41 EPC 90.00 PCFC 164.27*	<u>Tenor and Repayment:</u> Payable on demand <u>Interest rate:</u> Cash Credit 9% p.a as of December 31, 2017 EPC 5.90% p.a as of December 31, 2017 PCFC 0.90% p.a as of December 31, 2017

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
				<u>Penalty :</u> Pre-payment penalty at the rate of 2% of sanction amount or principal outstanding whichever is higher, at the discretion of the lender.
HDFC Bank Sanction letter dated April 6, 2017	Working capital consortium facility for working capital requirements	350.00	Cash Credit 200.00 EPC 150.00	<u>Tenor and Repayment:</u> Payable within 180 days to 330 days from the date of the sanction of the facility <u>Interest rate:</u> Cash Credit 9.2% p.a as of December 31, 2017 EPC 6% p.a as of December 31, 2017 <u>Penalty:</u> Pre-payment penalty at the rate of 2% for the sanctioned loan amount.
Kotak Mahindra Bank Sanction letter dated February 14, 2017	Working capital consortium facility for working capital requirements	350.00	-	<u>Tenor and Repayment:</u> Interest amount to be payable monthly while bullet repayment of principal amount on respective due dates by way of standing instructions to the account of our Company by the lender. <u>Interest rate:</u> *9.2% p.a as of December 31, 2017

Non Fund Based

(₹ in million)

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017
State Bank of India	Working capital consortium facility for working capital requirements	300.00 [@]	102.28
RBL Bank Limited	Working capital consortium facility for working capital requirements	200.00	200.00
Kotak Mahindra Bank Limited	Working capital consortium facility for working capital requirements	- [@]	100.00
IDBI Bank Limited	Working capital consortium facility for working capital requirements	100.00	-

[@] the sanction amount of Rs.100 million of Kotak Mahindra Bank Limited has been transferred to State Bank of India by the company.

Gonglu Agro Private Limited

Secured Loans- Fund based

(₹ in million)

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
DBS Bank Limited Sanction letter dated May 23, 2017	Working capital consortium facility for working capital requirements	200.00	197.16	<u>Tenor and Repayment:</u> Payable on demand <u>Interest rate:</u> 8.25% p.a as of December 31, 2017 <u>Penalty:</u> Pre-payment penalty would be on the discretion of the lender.

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017	Key terms and conditions
Axis Bank Limited	Working capital facility for working capital requirements	250.00	243.27	<u>Tenor and Repayment:</u> Payable on demand <u>Interest rate:</u> 9.70% p.a as of December 31, 2017

Non Fund Based

(₹ in million)

Name of the lender and loan documentation	Nature of Facility	Sanctioned amount	Outstanding as on December 31, 2017
Axis Bank	Working capital facility for working capital requirements	50.00	6.97
State Bank of India	Working capital facility for working capital requirements	-	8.49

#USD converted at ₹63.9273; exchange rate as on December 29, 2017

*Euro converted at ₹76.3867; exchange rate as on December 29, 2017

Principal terms of the borrowings availed of by our Company and our Subsidiaries

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

Interest: In terms of our term/corporate loans, the interest rate typically ranges from 5 % to 14 % per annum

Tenor and repayment: The tenor of our loans typically ranges from one year to five years. The term/corporate loans are required to be repaid in such instalments as set out in the relevant financing documents during the tenor of the term/corporate loans.

Pre-payment: Pre-payment of our term/corporate loans is permitted only with prior approval of the respective lenders and such pre-payment is typically subject to pre-payment penalties at the lender's discretion or as set out in the respective financing documents. Further, in terms of our borrowing arrangements with certain lenders, we are also required to seek prior approval of such lenders for the purposes of prepaying any loans availed from other lenders.

Security: In terms of our borrowing arrangements, our Company and Subsidiaries are typically required to create security by way of:

A. Term Loans of the Company are secured by:

- hypothecation of the movable fixed assets of the Company acquired out of term loans;
- first pari passu charge on six acres of vacant land situated in Krishnagiri belonging to the Company;
- first pari passu charge on 69.17 acres of land with plantation situated at Sathyavedu belonging to a Director;
- first pari passu charge on 1.92 acres of farm land with plantation at Sathyavedu belonging to a Director;
- first pari passu charge on 16.21 acres of farm land with plantation at Sathyavedu belonging to a Director;
- first pari passu charge on 18.90 acres of land at Sathyavedu belonging to a Director;
- first pari passu charge on 0.23 acres of land at Sathyavedu belonging to a Director;
- first pari passu charge on 6.48 acres of land at Sathyavedu belonging to a Director;
- first pari passu charge on 12,000 square feet out of 64.1 cents (plot E) belonging to a Director;
- first pari passu charge on 52.34 cents vacant housing plots in Chengalpet District belonging to a Director;
- charge on the plant assets at Sathyavedu and Krishnagiri;
- charge on two residential flats in Medavakkam belonging to Directors;
- personal guarantee of two Directors;

B. Credit facilities of to Gonglu are secured by:

Primary security:

- i. second pari passu charge by way of hypothecation of the entire current assets of the Company, both present and future;
- ii. exclusive first charge on the entire fixed assets of the company, by way of:
 - equitable mortgage of all that piece and parcel of following three lands situated at village Jaitapur, Tal. Chandwad, Dist. Nashik, within the revenue village of and within the Registration sub-district Chandwad and Dist. Nashik, comprising of Gat Number 207(R) ad-measuring 01H-15R, Gat Number 213(P) ad-measuring 03H-30R; all three lands totally ad-measuring 06H-89.25R ie. 17.231 acres (1 Acre = 40R) in the name of Gonglu;
 - equitable mortgage of all that piece and parcel of lands in Gat No. 211 Village Jaitapur, Tal. Chandwad, Dist. Nashik -423101 for 4.11875 acres and 2.125 acres in the name of Gonglu;
 - hypothecation of all existing installed and to be acquired/installed movable plant and machinery in respect of the Aseptic Plant and IQF Plant, located at the Company's factory at Jaitapur village, Chandwad Taluk in Nashik district, Maharashtra.

Collateral

Equitable mortgage on the below-mentioned property:

- Schedule B: All that piece and parcel of vacant lands measuring 4 grounds and 2396 sq ft together with the undivided 1/6th share measuring 2176.50 sq ft out of the total passage area measuring 13,059 (i.e) in the 33 common passage, altogether totally measuring 14172.50 sq ft in the A schedule property along with the right in the East passage measuring 64.10 cents being part of A schedule property comprised in SNO 1288/2A to 2K and 1288/3A to 3K and Survey No 1288/1 situated in Madhavaram Village, Thiruvallur District within the registration sub district of Madhavaram and the registration district of North Chennai, belonging to Rahoul Jain;
- All that piece and parcel of vacant lands in Survey no 1288/2A to 2K and 1288/3A to 3K measuring 127.50 cents and the Lands in Survey No. 1288/1 measuring 64 cents in all measuring 195.75 cents in No 34, New No 50, Madhavaram village, Thiruvallur district together with passage measuring 64.10 cents in Sno 1288/4, 1277, 1284, 1276/1, 1287/2 and 1288/3, the said passage is situated on the east of the above said property, which is situated within the Registration Sub District of Madhavaram and the Registration district of North Chennai;
- Extension of charge on the entire immovable and movable fixed assets in the name of the company Gonglu and on the land and buildings owned by Capricorn Food Products Indian Limited. Adjacent to GAPL's factory land at Jaitapur, Chandwad Taluk, Nashik, Maharashtra;
- All that piece and parcel of following two lands situated at Village Jaitapur, Tal. Chandwad, Dist. Nashik, within the Revenue Village of and within the Registration sub-district Chandwad and Dist. Nashik, comprising of From and Out of Gat Number 213(P) ad-measuring 02H-93R + Pot Kharaba 00H-14R and From and Out of Gat Number 213(P) ad-measuring 00H-78R + Pot Kharaba 00H-42R; both lands totally ad-measuring 03H-71R + Pot Kharaba 00H-56R total ad-measuring 04H-27R ie. 10.675 Acres, in the name of Capricorn Food Products India Limited;
- Land measuring an extent of 3.80 acres in survey no 37/1, Konerikuppam village, Kancheepuram Taluk, Kancheepuram District, Chennai situated within the registration district of Kancheepuram and sub registration district of Joint-I, Kancheepuram;
- GAT No. 40/A/2 of land for 0.01 acres at village Jaitapur, Tal. Chandwad, Dist., Nashik -423101 in the name of Gonglu Agro Private Limited;
- Flat no 204,205,305,306, FA-2 at Gurukrupa Sankul, FA-204, Second floor, Mumbai-Agra Highway (NH-3), Pimplagaon Baswant, Tal Niphad, Dist. Nashik-422205 for extent of 4747 sq ft in the name of Gonglu; and
- Flat no 104,105,106 at Shree Parshva Co.op Hoc.Soc. Ltd, Flat no 104, first floor, Kasbe Vani, Tal. Dindori, Dist. Nashik for 2448 sq ft in the name of Gonglu.

Key covenants

In terms of our borrowing arrangements, certain corporate actions for which our Company requires prior consent of the lenders are set forth below.

- a. Alteration of the capital structure, shareholding pattern or transfer of any shares of our Company.
- b. Any merger, consolidation, re-organisation, scheme of arrangement or compromise between our Company and its creditors or Shareholders including creation of any subsidiary.
- c. Use of funds availed from the lenders/debenture holders for purposes other than as sanctioned by the lenders/debenture holders.
- d. Change in control or composition of the Board of our Company.
- e. Change in constitution of our Company and any amendment to the constitutional documents.
- f. Declaration or payment of any dividend or authorizing or making any distribution to the Shareholders unless all dues to the lenders in respect of the outstanding facilities have been repaid or sufficient arrangements made for repayment.
- g. Formulation of any employee stock option plans.
- h. Change in financial year or accounting policies unless such change is required under applicable law.
- i. Implementation scheme of expansion and acquisition of fixed assets or modernization which is material in nature.
- j. Restructuring or rescheduling of the existing debt.
- k. Entering into further borrowings and security creation.

Further, certain other key terms and conditions under our borrowing arrangements are set forth below.

- a. Restriction on our Promoter to sponsor or promote, directly or indirectly, any other company or engage in any activities and business that would be in direct or indirect competition with our Company or detrimental to the interest of our Company or in the same line of business as that of our Company, unless the investment is through our Company or its Subsidiaries.
- b. Compliance with certain financial covenants as set out in the respective financing documents including but not limited to maintenance of minimum total debt to EBITDA ratio.
- c. Restriction on making any investments by way of deposits, extending loans, investing in share capital, etc.
- d. Right of appointment of a nominee director on the Board.

Events of default

In terms of our borrowing arrangements, certain events of default are set forth below. This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

- a. Failure to make payment of any amounts payable on due date or make redemption on the redemption date in terms of the financing documents.
- b. Cross defaults under the financing documents and material agreements of our Company and our Promoter.
- c. Any proceedings of bankruptcy, dissolution, insolvency, liquidation, or winding up proceedings in relation to our Company and certain of our Promoter.
- d. Depreciation in the value of the security provided for the respective borrowings and maintenance of inadequate insurance in relation to such security.
- e. Failure to comply with the covenants set out under our financing documents.

- f. Material adverse change in the constitution, ownership or management of our Company or Subsidiaries or occurrence of an event which is likely to have a material adverse effect on the financial condition, business prospects or operations of our Company or Subsidiaries.

In terms of our borrowing arrangements, the consequence of events of default include (i) withdrawal or cancellation of sanctioned facilities; and (ii) enforcement of security including, among others, selling, assigning or otherwise liquidating any or all of the secured property and take possession of the proceeds of any such sale or liquidation or any of the assets secured by our Company.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

The details of the outstanding litigation or proceedings involving the Company, Promoter, Directors, Subsidiaries and Group Companies, are described in the section in the manner as detailed below:

Except as stated in this section, as on the date of this DRHP, there are no (i) outstanding criminal proceedings involving our Company, Promoter, Directors, Subsidiaries, or Group Companies; (ii) actions taken by statutory or regulatory authorities against our Company, Promoter, Directors, Subsidiaries or Group Companies; and (iii) outstanding claims involving our Company, Promoter, Directors, Subsidiaries or Group Companies; for any direct and indirect tax liabilities; (iv) inquiries, inspections or investigations initiated or conducted prosecutions filed (whether pending or not) or fines imposed or compounding of offences by our Company and Subsidiaries under the Companies Act in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (v) pending defaults or non-payment of statutory dues by our Company (vi) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding this Draft Red Herring Prospectus; (vii) material frauds committed against our Company, in the five years preceding the date of this Draft Red Herring Prospectus; (viii) outstanding dues to small scale undertakings and other creditors of our Company as determined to be material by our Board of Directors in accordance with the SEBI ICDR Regulations and the Materiality Policy; (ix) outstanding litigation against our Company, Directors, Promoter, Subsidiaries, or Group Companies whose outcome could have an adverse effect on our Company; (x) proceedings initiated against our Company for economic offences; and (xi) violations of securities laws.

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors pursuant to a resolution dated November 18, 2017 for the purposes of disclosure, (i) all pending litigation involving our Company, Directors, Promoter, Subsidiaries and Group Companies, other than criminal proceedings, statutory or regulatory actions and taxation proceedings, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending matter is in excess of 1% of our profit after tax as per the Restated Consolidated Financial Information for the Fiscal 2017 amounting to ₹ 2.2 million or any such litigation which is material from the perspective of the Company's business, operations, prospects or reputation and (ii) Notices (other than those issued by statutory or regulatory authorities) received by the Company, Subsidiaries, Directors, Promoter or Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that the Company or any of its Subsidiaries, Directors, Promoter or Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

I. LITIGATION INVOLVING OUR COMPANY

A. Criminal Proceedings

There are 2 criminal proceedings initiated against our Company.

1. Tirumala Foods has filed a suit (O.S. No. 266 of 2015) against our Company before the Court of Additional District Judge, Tirupati claiming that our Company had failed to make payments for mangoes supplied by the petitioner in 2009 and 2010. The petitioner has claimed ₹ 4.5 million in the suit. Our Company, in reply to the suit, has filed an affidavit on October 14, 2017 before the Court of Additional District Judge, Tirupati, denying allegations made by Tirumala Foods. The matter is currently pending before the court of the Additional District Judge, Tirupati.
2. The Agricultural Market Committee, Sathyavedu, through its Secretary has filed a complaint dated August 11, 2016 against our Company represented by the Managing Director, before the Judicial First Class Magistrate, Sathyavedu for violation during the period from April 1, 2010 to March 3, 2013 of the provisions of the Andhra Pradesh (Agricultural Produce & Livestock Market Act, 1996 and related rules for non-payment of market fee on purchase of notified commodities. The Agricultural Market Committee, Sathyavedu has claimed a pending payment of ₹ 85.6 million with interest at 12% per annum. The Magistrate has issued summons to our Company on August 30, 2016 and our Company has filed a reply to the summons on November 24, 2016. The matter is currently pending before the court of the Judicial First Class Magistrate.

B. Actions taken by regulatory and statutory authorities

There are 10 actions initiated against our Company by regulatory and statutory authorities.

1. Our Company's Sathyavedu Unit-1 received a show cause notice dated June 13, 2017 from the Zonal Officer, Kurnool, Andhra Pradesh Pollution Control Board (the "APPCB") for discharging trade effluents in open water channels and dumping of solid waste on open ground. Post receipt of the show cause notice, our Company received a stop production order dated August 4, 2017 from the APPCB under provisions of the Water (Prevention and Control of Pollution) Amendment Act, 1988 and Air (Prevention and Control of Pollution) Amendment Act, 1987 for operating without a valid consent for operation and violating various pollution control norms. Our Company by a letter dated October 20, 2017 requested for a revocation of the stop production notice citing partial compliance with directions of the board. The APPCB through an order dated December 12, 2017 temporarily revoked the stop production order for a period of six months. Our Company received a fresh consent to operate dated December 21, 2017 from the APPCB valid up to May 31, 2018 and extendable until June 30, 2026, subject to certain terms and conditions. Our Company has written to the APPCB, by its letter dated February 1, 2018 stating that our Company has complied with certain conditions stipulated under the consents to operate, such as installation of energy meters, lined platform for drying of seeds, covered shed for storage of seeds, irrigation network and has undertaken to complete certain activities such as up gradation and commissioning of an UASB reactor by the end of February 2018. Our Company also requested the APPCB to extend the consent to operate till June 30, 2026 in light of compliance with the conditions. The amount involved is not ascertainable. This matter is currently pending with the APCB.
2. Our Company's Sathyavedu Unit-II received a show cause notice dated June 13, 2017 from the Zonal Officer, Kurnool, Andhra Pradesh Pollution Control Board (the "APPCB") for discharging trade effluents in open water channels and dumping of solid waste on open ground and for operating without a valid consent. Our Company received a fresh consent to operate dated December 7, 2017 for its Sathyavedu Unit-II from APPCB valid up to March 31, 2018. Our Company has written to the APPCB, by its letter dated February 1, 2018 stating that our Company has complied with certain conditions stipulated under the consents to operate, such as installation of energy meters, lined platform for drying of seeds, covered shed for storage of seeds, irrigation network and has undertaken to complete certain activities such as up gradation and commissioning of an UASB reactor by the end of February 2018. Our Company also requested the APPCB to extend the consent to operate till June 30, 2026 in light of compliance with the conditions. The amount involved is not ascertainable. This matter is currently pending with the APCB.
3. Our Company's Krishnagiri unit received a show cause notice dated October 25, 2017 from the Tamil Nadu Pollution Control Board (the "TNPCB") for expanding plant capacity and installing additional machinery without obtaining a revised consent and for discharging solid waste on open land and discharging untreated effluents. Subsequently, our Krishnagiri unit received a closure notice dated November 22, 2017 and an order dated November 22, 2017 from the TNPCB for disconnection of power supply under the provisions of the Water (Prevention and Control of Pollution) Amendment Act, 1988 and the Air (Prevention and Control of Pollution) Amendment Act, 1987. Our Company filed an application dated December 7, 2017 for a fresh consent to operate with the TNPCB. Our Company received a fresh consent to operate and manufacture mango pulp dated December 14, 2017 for its Krishnagiri unit from TNPCB valid up to March 31, 2019. Our Company has also received a revocation order dated January 11, 2018 from the TNPCB, revoking the closure notice and the disconnection of power order, subject to fulfilment of certain conditions. Pursuant to the revocation order, the supply of power was restored at our Krishnagiri facility. Our Company made a revised application with the TNPCB dated December 19, 2017 for a fresh consent to operate and manufacture all tropical fruit pulp at its Krishnagiri facility and for an increase of production capacity from 1,200 tonnes per month to 3,000 tonnes per month. Pursuant to our application, our Company's Krishnagiri unit received consent dated February 1, 2018 from TNPCB to operate and manufacture all tropical fruit pulp at a capacity of 3,000 tonnes per month.

4. Our Company has received a show cause notice dated July 12, 2017 from the Employees Provident Fund Organisation, Sub Regional Office – Cuddapah (“EPFO”), in relation to failure of our Company to enrol and remit contributions for all our employees for a period ranging from May 1999 to July 2017. As per the show cause notice, our Company has not remitted provident fund contributions, pensions fund contributions and insurance fund contributions under the Employees’ Provident Funds and Miscellaneous Provision Act, 1952, Employees’ Provident Fund Scheme, 1952, the Employees’ Pension Scheme, 1995 and the Employees’ Deposit Linked Insurance Scheme, 1976. According to the show cause notice, our Company has also failed to pay the administration and inspection charges due under the Employees’ Provident Fund Scheme, 1952 and Employees’ Deposit Linked Insurance Scheme, 1976 during the period ranging from May 1999 to July 2017. Our Company has been directed to enrol all employees, remit the dues and submit the remittance challans. Our Company has replied to the EPFO through a letter dated September 27, 2017 requesting a copy of the EO report and assuring EPFO of swift compliance in the matter. We have received no further correspondence from the EPFO in this regard.
5. Our Company and our Chairman and Managing Director, Rahoul Jain, received a demand notice dated July 15, 2017 from the Gram Panchayat office, Chinnetipakam, in relation to non-payment of property tax for the Fiscals 2014, 2015, 2016 and 2017 aggregating to a total amount of ₹ 0.2 million. There has been no further correspondence in this matter.
6. Our Company has received summons (W.C.M.P. 01/2013) dated January 6, 2014 issued by the Commissioner for Workmen’s Compensation and Deputy Commissioner of Labour, Tirupati in relation to a complaint filed by an erstwhile employee, P Vijay Kumar. Our Company has filed a counter dated January 17, 2017 to the petition. The amount of damages cannot be ascertained. The matter is currently pending before the Deputy Commissioner.
7. Our Company has received summons (ID No. 1/2014) dated January 6, 2014 from the Commissioner for Workmen’s Compensation and Deputy Commissioner of Labour, Tirupati in relation to an industrial dispute raised by an erstwhile employee. The complainant alleged that our Company’s management illegally removed her from employment after she became the general secretary of the unit’s labour union. Our Company filed a rejoinder dated June 26, 2014 before the Labour Court. The amount of damages cannot be ascertained. The matter is currently pending before the Labour Court.
8. Our Company’s Sathyavedu Unit I received a show cause notice (No. A/390/2017) dated June 16, 2017 from the Andhra Pradesh Factories Departments in relation to certain instances of alleged non-compliance of the provisions of the Factories Act enumerated in the inspection report dated June 6, 2017. Our Company replied to the show cause notice No. 390/2017 by a letter dated September 12, 2017 highlighting compliance with the provisions of the Factories Act. We have received no further correspondence from the Factories Department.
9. Our Company’s Sathyavedu Unit II received a show cause notice (No. A/389/2017) dated June 16, 2017 from the Andhra Pradesh Factories Departments in relation to certain instances of alleged non-compliance of the provisions of the Factories Act enumerated in the inspection report dated June 6, 2017. We have received no further correspondence from the Factories Department.
10. Our Company and our Managing Director and Chairman Rahoul Jain, have received summons to appear (STC. No. 12/2016) dated September 19, 2016 issued by the Judicial First Class Magistrate in relation to alleged non-compliance with provisions of the Factories Act, 1948 and A.P. Factories Rules, 1950 by our Company’s Sathyavedu unit I and unit II. The matter is currently pending.

C. Tax proceedings against our Company

There are 35 tax proceedings pending against our Company.

Set forth below are details of the tax proceedings initiated against our Company:

(in ₹ million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (to the extent ascertainable)
Direct Tax	16	505.36
Indirect tax	19	164.98

D. Civil Proceedings

There is 1 civil proceeding pending against our Company.

1. Triguni Food Private Limited has instituted a suit (C.S. No. 223 of 2015) on March 13, 2015 in the High Court of Judicature at Madras (the “**Madras High Court**”) against our Company for allegedly using the petitioner’s confidential proprietary information to manufacture dehydrated instant food items and wrongfully hiring the petitioner’s employees. The petitioner has asked the Madras High Court to grant a permanent injunction restraining our Company from manufacturing or marketing ready-to-eat dehydrated instant food items and has also claimed ₹ 5 million as special damages. Our Company has filed a counter dated March 30, 2015 to the suit before the Madras High Court denying the petitioner’s claims of having proprietary claim over the process used to manufacture ready-to-eat dehydrated instant food items. The matter is currently pending before the Madras High Court.

Civil Proceedings initiated by our Company

There is 1 civil proceeding initiated by our Company.

1. We have filed a petition under Section 34 of the Arbitration and Conciliation Act, 1996 against M/s Satnam Agri Products Limited (“**Satnam Agri**”) and Mr. H.P. Handa before the District Judge, Jalandhar on October 18, 2017 for setting aside the arbitral award dated July 22, 2017 passed by Mr. H.P. Handa (sole arbitrator) in a dispute between our Company and Satnam Agri. Our Company had initiated arbitration proceedings against Satnam Agri for breach of obligations under the memorandum of understanding dated July 1, 2010. Our Company had claimed an amount of ₹ 276 million in damages from Satnam Agri and our entire claim was rejected by Mr. H.P. Handa in the impugned arbitral award. Our Company has requested the District Judge, Jalandhar to set aside the impugned arbitral award and to allow our claim for ₹ 276 million with interest at the rate of 24% per annum from the due date to the date of realization. Satnam Agri has filed a petition on December 18, 2017 before the District Judge for the execution of the impugned arbitral award. Our Company has received summons to appear before the District Judge on February 3, 2018. The matter is currently pending before the District Judge.

E. Other material outstanding litigation involving our Company

Material outstanding litigation against our Company

As on the date of this Draft Red Herring Prospectus, there is no other material outstanding litigation initiated against our Company.

F. Proceedings initiated against our Company for economic offences

Nil

G. Default and non – payment of statutory dues

Except as disclosed in “**Financial Statements – Restated Standalone Financial Information**” on page 201, our Company does not owe any statutory dues and has not made any defaults or committed any acts involving non-payment of its statutory dues.

H. Material frauds against our Company

There have been no material frauds committed against our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

I. Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or the Companies Act 1956 against our Company

In the past, our Company has inadvertently omitted to file the form MGT-14 with the RoC within the prescribed time period in relation to certain resolutions passed on August 25, 2015, August 25, 2014 and April 1, 2014. Pursuant to Section 460 of the Companies Act, our Company has filed three applications for condonation of delay (Form CG-1) on August 29, 2017 and August 30, 2017 with the Registrar of Companies, Tamil Nadu at Chennai. Of the three condonation petitions filed by our Company, the RoC has approved one of the applications on December 8, 2017 and the other two on December 20, 2017.

J. Details of prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last five years immediately preceding the date of this DRHP by our Company

In the past, there have been certain instances of non-compliance of the provisions of the Companies Act, 2013 by our Company, such as:

- Non-compliance with Section 203 in relation to non-appointment of a Company Secretary for a period of three years (ranging from April 1, 2014 to July 14, 2017).
- Non-compliance with Section 185(1) in relation to a corporate guarantee extended by our Company for a loan take by our Group Company, Shuchi Beverages.

Our Company has filed compounding applications dated October 19, 2017 for compounding of such offences before the RoC.

K. Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on us

There are no outstanding litigation, suits, criminal or civil proceedings, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule V of the Companies Act 2013, show cause notices or legal notices against any other person or company whose outcome could have a material adverse effect on the operations, finances or our position.

L. Outstanding dues to small scale undertakings or any other creditors

As of September 30, 2017, we have 943 creditors. Further details pertaining to amounts due towards material creditors are available on the website of our Company at the following link:
http://www.capricorngroup.com/pdf/Group%20Creditors_as_on_30.09.2017.pdf

As per the Materiality Policy, creditors to whom an amount exceeding 5 % of our total consolidated trade payables for the period ending September 30, 2017, was outstanding, were considered 'material' creditors. Based on the above, there are four material creditors of our Company as on September 30, 2017 to whom an aggregate amount of ₹ 147.05 million was outstanding on September 30, 2017.

Based on information available with our Company, there is no micro, small and medium enterprise as defined under the Micro, Small and Medium Enterprises Development Act, 2006, to whom our Company owes an amount as of September 30, 2017.

II. LITIGATION INVOLVING OUR SUBSIDIARIES

Set forth below, the details of outstanding legal proceedings involving our Subsidiaries.

A. Outstanding criminal litigation involving our Subsidiaries

Fresco Juice Private Limited has filed a police complaint dated September 25, 2015 against Mr. Anil Mohandas and Mr. Prashant Jashubhai, directors of Power Horse India Private Limited, for cheating Fresco of an amount of Rs. 13.5 million and for breach of contractual obligations under the Master Distributor Agreement effective from June 1, 2014. A first information report was registered on December 12, 2015. Pursuant to a petition filed by Fresco, the Madras High Court through an order dated

September 1, 2016 (CRL OP No. 19878 of 2016) issued directions to the Chennai Police Commissioner to expedite the investigation. The case is currently under police investigation.

B. Pending action by statutory or regulatory authorities against any of our Subsidiaries

- a. Maharashtra Pollution Control Board (the “MPCB”) had issued closure directions against our Gonglu Agro Private Limited vide an order dated May 19, 2017 under Section 33 (A) of the Water (Prevention and Control of Pollution) Amendment Act, 1988 and under Section 31(A) of the Air (Prevention and Control of Pollution) Amendment Act, 1987, for operating without a valid consent for operation (CFO). Pursuant to Gonglu’s written request, the MPCB, by an order dated June 9, 2017 withdrew closure directions and allowed Gonglu to restart production activity for only two months subject to certain conditions. Gonglu has made a revised application to the MPCB dated September 5, 2017 to obtain consent to operate for its Nashik unit. The MPCB in an order dated November 9, 2017 granted consent to operate to Gonglu which is valid up to June 30, 2021 subject to receipt of a bank guarantee. MPCB through a letter dated December 18, 2017 levied an additional bank guarantee of ₹ 1 million due to non-compliance with the consent to operate dated November 9, 2017. Gonglu responded to the MPCB Letter, stating that it has complied with all the conditions in the consent to operate dated November 9, 2017 and requested the MPCB to withdraw their demand for additional bank guarantee. In response to Gonglu’s letter, the MPCB has revised the quantum of additional bank guarantee to ₹ 0.5 million by an order dated January 19, 2018. Gonglu has submitted the bank guarantee of ₹ 0.5 million with the MPCB on January 31, 2018.
- b. Our Subsidiary, Gonglu, has filed a compounding application dated November 28, 2017 with the RoC for non-compliance with Section 203 of the Companies Act, 2013 as Gonglu did not have a whole-time company secretary from a period of April 1, 2014 to November 26, 2017.

C. Tax proceedings involving our Subsidiaries

(In ₹ million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (to the extent ascertainable)
Direct tax		
	Nil	-
Sub-total (A)	Nil	-
Indirect tax		
Central Excise	2	9.95
Sub-total (B)	2	9.95
Total (A+B)	2	9.95

D. Other material outstanding litigation involving our Subsidiaries

Nil

E. Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or the Companies Act 1956 against our Subsidiaries

Nil

III. LITIGATION INVOLVING OUR DIRECTORS

A. Outstanding criminal litigation involving our Directors

Nil

B. Pending action by statutory or regulatory authorities against any of our Directors

Nil

C. Tax proceedings involving our Directors

Tax proceedings involving Rahoul Jain

Set forth below are details of the direct and indirect tax proceedings initiated against our Director, Rahoul Jain.

(In ₹ million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (to the extent ascertainable)
Direct tax		
Income Tax	2	17.76

Tax proceedings involving Shuchi Jain

Set forth below are details of the direct and indirect tax proceedings initiated against our Director, Shuchi Jain.

(In ₹ million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (to the extent ascertainable)
Direct tax		
Income Tax	1	1

D. Other material outstanding litigation involving our Directors

Nil

IV. LITIGATION INVOLVING OUR PROMOTER

For litigation involving our Promoter, Rahoul Jain, see “- *Litigation involving our Directors*” on page 316 above.

V. LITIGATION INVOLVING OUR GROUP COMPANY

A. Outstanding criminal litigation involving SBL

Nil

B. Pending action by statutory or regulatory authorities against any of our Group Company

In the past, there have been certain instances of non-compliance of the provisions of the Companies Act, 2013 by Shuchi Beverages Limited (“**Shuchi Beverages**”), such as-

- Non-compliance with Section 203 in relation to non-appointment of a Company Secretary for a period of three years (ranging from April 1, 2014 to November 17, 2017).
- Non-compliance with Section 185(1) in relation to granting a loan to a company (Capricorn Food Products) in which its directors are interested.

Shuchi Beverages filed compounding applications dated November 27, 2017 in relation to the aforementioned violations.

C. Tax proceedings involving our Group Company

Tax proceedings involving Shuchi Beverages

Set forth below are details of the direct and indirect tax proceedings initiated against Shuchi Beverages.

(in ₹ million)

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (to the extent ascertainable)
Direct tax		

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (to the extent ascertainable)
Nil	Nil	Nil
Sub-total (A)	Nil	Nil
Indirect tax		
Sub-total (B)	3	21.49
Total (A+B)	3	21.49

D. Other material outstanding litigation involving our Group Company

Nil

VI. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE

There have been no developments except as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operation - Significant Developments after September 30, 2017*” on page 289, since the date of the last Restated Financial Statements disclosed in this Draft Red Herring Prospectus, which could materially and adversely affect or are likely to affect, our operations or earnings taken as a whole, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company can undertake the Offer and has received the necessary consents, licenses, permissions and approvals from various governmental agencies required for our present or proposed business operations and, except as disclosed in this Draft Red Herring Prospectus, no further material approvals from any regulatory authority are required for carrying on our present or proposed business operations. Some of our approvals may expire from time to time, in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable laws and procedures and requirements.

The main objects clause and objects incidental to the main objects, in our Memorandum of Association enable our Company to undertake its existing and proposed activities.

*For further details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies in India**” on page 167. For details of risks associated with not obtaining or delay in obtaining the requisite approvals see “**Risk Factors - Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects**” on page 19.*

I. General Details

Incorporation Details

1. Certificate of incorporation dated October 8, 1998 issued to our Company by the RoC in the name of “Capricorn Food Products India Limited”
2. Certificate of commencement of business dated August 16, 1999 issued to our Company by the RoC in the name of “Capricorn Food Products India Limited”
3. Corporate Identification Number is U15499TN1998PLC041231

For details of corporate and other approvals in relation to the Offer, see “**Other Regulatory and Statutory Disclosures - Authority for the Offer - Corporate Approvals**” on page 322.

Tax and Commercial Registrations of our Company

- (i) The Permanent Account Number is AABCC1550B.
- (ii) The Tax Payer’s Identification Number (TIN) is 33161121372.
- (iii) The Central Sales Tax Registration Number under the Central Sales Tax Act, 1956 is 774226.
- (iv) The Importer-Exporter Code issued by the Ministry of Commerce and Industry, Government of India is 0498052206.
- (v) The License Number under Food Safety and Standards Act, 2006 is 10012042000277.
- (vi) The GST Identification Number is 33AABCC1550B1ZJ.
- (vii) Registration with the Agricultural and Processed Food Products Export Development Authority.

II. Approvals in relation to the Offer

Corporate Approvals:

1. The Board has, pursuant to its resolution dated October 19, 2017, authorized the Offer, subject to the approval of the shareholders of our Company under Section 62 (1) (c) of the Companies Act 2013.
2. Our shareholders have, pursuant to their special resolution dated October 23, 2017, authorized the Offer, in terms of Section 62 (1) (c) of the Companies Act 2013.

In-principle listing approvals:

1. In-principle approval from BSE dated [●].
2. In-principle approval from NSE dated [●].

III. Approvals in relation to operations of our Company and Subsidiaries

Our Company and Subsidiaries require various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. The following are the approvals received by our Company and Subsidiaries for their business and all such approvals are valid and subsisting:

A. Approvals for the Sathyavedu Unit, Andhra Pradesh:

- (i) *Environmental licenses* under the Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981
- (ii) *Factory license*: License to work a Factory under the Factories Act, 1948 for IQF and aseptic division.
- (iii) *Diesel generator and solar power installation*: Registration of diesel generator set and installation of solar power for the operation of the facility.
- (iv) *Food and beverage related approvals*: License for food business operations under Food Safety and Standards Act, 2006 and Food Safety & Standards (Licensing and Registration of Food Business) Regulation, 2011.
- (v) *Legal metrology licenses*: Certificate of verification issued by the Legal Metrology Department, Hyderabad under the Legal Metrology Act, 2009.
- (vi) *Tax related approvals*: Provisional Registration under the SGST Act, 2017, approved by the office of the Assistant Commissioner Goods and Services Tax, Tirupati for export of goods without payment of IGST.
- (vii) *Labour related approval*: Registered under the Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined Returns under various Labour laws by certain Establishments) Act, 2015.

B. Approvals for the Krishnagiri Unit, Tamil Nadu:

- (i) *Environmental licenses* under the Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981
- (ii) *Factory licenses*: Factory license granted under the Tamil Nadu Factories Rules, 1950 and certificate of stability as under the Tamil Nadu Factories Rules 1950.
- (iii) *Diesel generator*: Registration of diesel generator set for the operation of the facility
- (iv) *Food and beverage related approvals*: License for food business operations under Food Safety and Standards Act, 2006.
- (v) *Legal metrology licenses*: Certificate of verification issued by the Legal Metrology Department, Tamil Nadu under the Legal Metrology Act, 2009.
- (vi) *Health related approvals*: Sanitation certificate provided by the Government Community Health Care Centre, Krishnagiri District.
- (vii) *Tax related approvals*: Provisional Registration under the SGST Act, 2017.

- (viii) *Labour related approvals:* Registered under the Contract Labour (Regulation and Abolition) Act, 1970 and Tamil Nadu Contract Labour Rules, 1975.

C. Approvals for the Nashik Unit, Maharashtra :

- (i) *Environmental licenses* under the Water (Prevention & Control of Pollution) Act, 1974 and Air (Prevention & Control of Pollution) Act, 1981
- (i) *Factories Act:* Factory license granted under the Maharashtra Factories Rules, 2010 and certificate of stability as under the Maharashtra Factories Rules, 2010
- (ii) *Diesel generator:* Registration of diesel generator set for the operation of the facility
- (iii) *Fire license:* Provisional No-Objection Certificate granted.
- (iv) *Food and beverage related approvals:* License for food business operations under Food Safety and Standards Act, 2006.
- (v) *Labour related licenses:* Registered with Employees Provident Fund Organisation and Employees State Insurance Act, 1948.
- (vi) *Tax related approvals:* Provisional Registration under the SGST Act, 2017.

IV. Approvals applied for, but not received

Certain material consents, licenses, registrations, permissions and approvals that are required to be obtained by our Company for undertaking its business have elapsed in their normal course and our Company has either made an application to the relevant Central or State government authorities for renewal of such licenses, consents, registrations, permissions and approvals or is in the process of making such applications. The consents, licenses, registrations, permission and approvals for which applications have been made for by our Company and our Subsidiaries include:

- Application dated February 1, 2018 by Gonglu for fire NOC from the Maharashtra Fire Services for the Nashik Unit.

V. Approvals not applied for by our Company

Except for the applications for the fire NOCs for Sathyavedu Unit I and Sathyavedu Unit II, there are no approvals for which applications are yet to be made by our Company or our Subsidiaries.

VI. Intellectual Property

For details in relation to intellectual property of our Company, please see “*Our Business*” on page 147.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board of Directors has authorized the Offer by a resolution dated October 19, 2017, subject to the approval of the Shareholders of our Company under Section 62(1) (c) of the Companies Act 2013.
- Our Shareholders have, pursuant to a special resolution passed on October 23, 2017, under Section 62(1) (c) of the Companies Act 2013, authorized the Offer.
- This Draft Red Herring Prospectus has been approved by the Board on February 4, 2018 and the IPO Committee on February 6, 2018.

Approvals from the Selling Shareholders

The Selling Shareholders have approved the transfer of their respective Equity Shares pursuant to the Offer for Sale as set out below:

S. No.	Name of the Selling Shareholder	Date of Consent Letter	Number of Equity Shares offered for sale
1.	Rahoul Jain	February 2, 2018	720,825
2.	Shuchi Jain	February 2, 2018	2,162,475
3.	Milestone I	February 2, 2018	4,482,000
4.	Milestone Trust	February 2, 2018	277,700

Each Selling Shareholder specifically confirms that, as required under Regulation 26(6) of the SEBI ICDR Regulations, it has held the Equity Shares proposed to be offered and sold by it in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus. Therefore, the Equity Shares offered by the each Selling Shareholder in the Offer are eligible to be offered for sale in the Offer.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●], 2018 and [●], 2018 respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

None of our Company, our Promoter, the members of our Promoter Group, our Directors or persons in control of our Company are or have ever been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other governmental authorities.

Neither our Promoter, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Each Selling Shareholder confirms that it has not been prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Further, each Selling Shareholder confirms that it has not been declared as a Wilful Defaulter. There are no violations of securities laws committed by any Selling Shareholder in the past or currently pending against any Selling Shareholder.

The companies with which our Directors are or were associated as promoter, directors or persons in control are not prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

Except Rajesh Singhal, none of our Directors are in any manner associated with the securities market, including securities market related business. No action has been taken by the SEBI against our Directors or any entity in which our Directors are involved as Promoter or directors.

Neither our Company, nor our Promoter, nor any member of our Promoter Group nor our Group Company, nor our Directors, nor the relatives (as per the Companies Act) of our Promoter are or have been declared as wilful defaulters, as defined by the SEBI ICDR Regulations.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI ICDR Regulations as described below:

“An issuer may make an initial public offer, if:

- (a) *it has net tangible assets of at least three crore rupees in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:*

Provided that if more than fifty percent of the net tangible assets are held in monetary assets, the issuer has made firm commitments to utilise such excess monetary assets in its business or project;

Provided further that the limit of fifty percent on monetary assets shall not be applicable in case the public offer is made entirely through an offer for sale.

- (b) *it has a minimum average pre-tax operating profit of rupees fifteen crore, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.*
- (c) *it has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each);*
- (d) *the aggregate of the proposed issue and all previous issues made in the same financial year in terms of the issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;*
- (e) *if it has changed its name within the last one year, at least fifty percent of the revenue for the preceding one full year has been earned by it from the activity indicated by the new name.”*

The net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets, pre-tax operating profits and net worth derived from the Restated Consolidated Financial Statements, as at and for the financial years 2014, 2015, 2016 and 2017 are set forth below:

	<i>(₹ in million)</i>			
Particulars	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017
Net Tangible Assets*	4,326.47	5,199.23	5,453.58	5,883.21
Monetary Assets**	225.65	215.43	216.78	264.68
Monetary Assets as a % of Net Tangible Assets	5.22	4.14	3.98	4.50
Pre-Tax Operating Profits***	270.88	424.78	546.80	559.79
Net Worth****	1,687.61	1,786.95	1,933.86	2,165.13

The net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets and net worth derived from the Restated Standalone Financial Information, as at and for the last five financial years 2013, 2014, 2015, 2016 and 2017 are set forth below:

	<i>(₹ in million)</i>				
Particulars	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017
Net Tangible Assets*	3,111.37	4,198.30	4,676.12	4,904.26	5,368.45
Monetary Assets**	94.47	102.92	160.52	122.67	191.33

Particulars	March 31, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017
Monetary Assets as a % of Net Tangible Assets	3.04	2.45	3.43	2.50	3.56
Net Worth****	1,024.13	1,691.91	1,819.21	2,004.29	2,226.07

* 'Net Tangible Assets' means the sum of all net assets of the Company, excluding intangible assets as defined in Accounting Standard 26 issued by the Institute of Chartered Accountants of India.

** 'Monetary Assets' comprise cash and bank balances.

*** 'Pre-tax operating profits' comprise of profit from operations before other income, interest and exceptional items in accordance with Clause 41 1(A) of the Equity Listing Agreements.

**** 'Net Worth' means Total paid-up share capital + Reserves and surplus (including Securities premium account and Surplus in the Restated Summary Statement of Profit and Loss) - Unamortised preliminary expenses (included in Annexure XV B – Other current assets).

1. Our Company has net tangible assets of at least ₹30 million in each of the preceding three full financial years (of twelve months each), of which not more than 50% are held in monetary assets.
2. Our Company has a minimum average pre-tax operating profit of ₹150 million calculated on a restated and consolidated basis, during the three most profitable years (fiscal 2017, 2016 and 2015) out of the immediately preceding five financial years.
3. Our Company has a net worth of at least ₹ 10 million, in each of the preceding three full financial years (of twelve months each).
4. The aggregate of the proposed Offer size and all previous issues made in the same financial year in terms of issue size will not exceed five times the pre-Offer net worth of our Company as per the audited balance sheet of our Company for the preceding financial year, viz., fiscal 2017.
5. Our Company has not changed its name within the last one year.
6. Our Company's average pre-tax operating profit calculated on a restated and consolidated basis, during the three most profitable years being years ended on 2015, 2016 and 2017 out of the immediately preceding five years is ₹ 510.45 million.

Hence, our Company is eligible for the Offer as per Regulation 26(1) of the SEBI ICDR Regulations.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, otherwise, the entire application money will be refunded/unblocked forthwith. If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

Other than the listing fees (which shall be borne by our Company), all costs, charges, fees and expenses associated with and incurred in connection with this Offer will, in accordance with applicable law, be borne by our Company and the Selling Shareholders in proportion to the Equity Shares being offered by each of our Company and the Selling Shareholders in this Offer.

Our Company is in compliance with conditions specified in Regulation 4(2) of the SEBI ICDR Regulations to the extent applicable.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO THE SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING IIFL HOLDINGS LIMITED,

ICICI SECURITIES LIMITED AND IDFC BANK LIMITED, THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

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 DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, BEING IIFL HOLDINGS LIMITED, ICICI SECURITIES LIMITED AND IDFC BANK LIMITED, HAVE FURNISHED TO THE SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 6, 2018 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 6, 2018 PERTAINING TO THE SAID OFFER;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:
 - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS ETC., FRAMED/ISSUED BY THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT 1956, TO THE EXTENT APPLICABLE, THE COMPANIES ACT 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID – COMPLIED WITH AND NOTED FOR COMPLIANCE;
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE;

5. WE CERTIFY THAT WRITTEN CONSENTS FROM THE PROMOTER HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS - COMPLIED WITH AND NOTED FOR COMPLIANCE;
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS - COMPLIED WITH AND NOTED FOR COMPLIANCE;
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTER'S CONTRIBUTION WILL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER -NOT APPLICABLE;
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION; COMPLIED WITH;
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO AMONG THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM THE OFFER SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS PER SECTION 40(3) OF THE COMPANIES ACT 2013;
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALISED FORM ONLY;
11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO

DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION- COMPLIED WITH;

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: - COMPLIED WITH
 - a. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - b. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE OFFER - NOTED FOR COMPLIANCE;
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC. - COMPLIED WITH TO THE EXTENT APPLICABLE;
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY - COMPLIED WITH;
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR - COMPLIED WITH;
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 AND INCLUDED IN THE FINANCIAL STATEMENTS INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AND AS CERTIFIED BY R. SUBRAMANIAN AND COMPANY, LLP , BY WAY OF CERTIFICATE DATED FEBRUARY 2, 2018;
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE). - NOT APPLICABLE.

The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorized the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of the Companies Act 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed Offer.

SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THE OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE RED HERRING PROSPECTUS WITH THE ROC IN TERMS OF

SECTION 32 OF THE COMPANIES ACT, 2013. ALL LEGAL REQUIREMENTS PERTAINING TO THE OFFER WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE ROC IN TERMS OF SECTIONS 26, 30 AND 32 OF THE COMPANIES ACT, 2013.

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Price Information of past issues handled by the BRLMs

IIFL Holdings Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IIFL Holdings Limited

Sr. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th Calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th Calendar days from listing
1.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.6%, [-1.2%]	-11.6%, [-8.1%]	+11.3%, [+4.1%]
2.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-3.3%, [+0.3%]	+3.1%, [+4.0%]	NA
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2725.00	+50.8%, [+1.2%]	+80.9%, [+2.5%]	NA
4.	Capacit'e Infraprojects Limited	4,000.00	250.00	September 25, 2017	399.00	+34.9%, [+3.3%]	+60.3%, [5.3%]	NA
5.	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.00	+3.3%, [+4.6%]	+19.0%, [6.7%]	NA
6.	Indian Energy Exchange Limited	10,007.26	1,650.00	October 23, 2017	1,500.00	-5.6%, [+1.9%]	-1.8%, [7.4%]	NA
7.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 06, 2017	295.90	+1.2%, [-3.9%]	5.9%, [2.9%]	NA
8.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	+31.5% [+2.1%]	NA	NA
9.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-4.2% [+4.2%]	NA	NA
10.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	4.1% [+4.4%]	NA	NA

Source: www.nseindia.com

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date. NA means Not Applicable.

2. Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IIFL Holdings Limited

Financial year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount – 30 th calendar day from listing			Nos. of IPOs trading at premium – 30 th calendar day from listing			Nos. of IPOs trading at discount – 180 th calendar day from listing			Nos. of IPOs trading at premium – 180 th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2015-16	4	17,330.46	-	-	3	-	-	1	-	-	3	1	-	-
2016-17	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2017-18	9	1,98,722.66	-	-	3	1	2	3	-	-	-	-	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

ICICI Securities Limited

1. Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % 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	Sheela Foam Limited	5,100.00	730.00	09-Dec-16	860.00	+30.23%, [-0.31%]	+48.39%, [+8.02%]	+86.65%, [+16.65%]
2	Music Broadcast Limited	4,885.29	333.00	17-Mar-17	413.00	+4.58%, [-0.23%]	+4.19%, [+5.00%]	+18.74%, [+10.19%]
3	Avenue Supermarts Limited	18,700.00	299.00	21-Mar-17	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	+264.38%, [+11.31%]
4	Housing and Urban Development Corporation Limited	12,095.70	60.00(1)	19-May-17	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
5	AU Small Finance Bank Limited	19,125.14	358.00	10-Jul-17	530.00	+58.76%, [+2.12%]	+65.20%, [+2.23%]	+95.38%, [+8.06%]
6	Security and Intelligence Services (India) Limited	7,795.80	815.00	10-Aug-17	879.80	-3.29%, [+1.17%]	+3.14%, [+5.40%]	+39.12%, [+8.62%]
7	Matrimony.Com Limited	4,974.79	985.00(2)	21-Sep-17	985.00	-12.28%, [+0.62%]	-7.64%, [+3.37%]	-
8	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	27-Sep-17	651.10	+3.62%, [+6.25%]	+18.97%, [+8.17%]	-
9	SBI Life Insurance Company Limited	83,887.29	700.00(3)	03-Oct-17	735.00	-7.56%, [+5.89%]	-0.07%, [+5.84%]	-

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % 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
10	Newgen Software Technologies Limited	4,246.20	245.00	29-Jan-18	254.10	-	-	-

(1) Discount of Rs.2 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. 60.00 per equity share.

(2) Discount of Rs. 98 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. 985.00 per equity share.

(3) Discount of Rs. 68 per equity share offered to Eligible Employees. All calculations are based on Issue Price of Rs. 700.00 per equity share.

Notes:

- All data sourced from www.nseindia.com
 - Benchmark index considered is NIFTY
 - 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day
2. *Summary statement of price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by ICICI Securities Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	7	189,134.31	-	-	3	1	-	2	-	-	-	1	2	-
2016-17	12	160,855.45	-	-	3	4	4	1	-	1	1	7	2	1
2015-16	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-

IDFC Bank Limited

- Price information of past issues (during the current financial year and two financial years preceding the current financial year) handled by IDFC Bank Limited*

Sr. No.	Issuer Name	Issue Size (Rs. Million)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date (Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar day from listing
1.	HPL Electric & Power Limited	3,610.00	202.00	October 04, 2016	190.00	-14.75% [-2.91%]	-51.19% [-6.72%]	-37.77% [5.34%]
2.	Shankara Building Products Limited	3,450.01	460.00	April 05, 2017	545.00	51.25% [0.51%]	81.25% [4.16%]	214.30% [5.08%]
3.	Dixon Technologies (India) Limited	5,992.79	1,766.00	September 18, 2017	2,725.00	50.07% [0.57%]	97.90% [3.63%]	Not Available
4.	The New India Assurance Company Limited	95,858.23	800.00*	November 13, 2017	748.90	-27.66% [0.59%]	Not Available	Not Available
5.	Khadim India Limited	5,430.57	750.00	November 14, 2017	730.00	-10.40% [0.06%]	Not Available	Not Available
6.	HDFC Standard Life Insurance Company Limited	86,950.00	290.00	November 17, 2017	310.00	30.16% [1.02%]	Not Available	Not Available
7.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	Not Available	Not Available
8.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	674.00	3.26% [3.48%]	Not Available	Not Available
9.	Newgen Software Technologies Ltd	4,246.21	245.00	January 29, 2018	253.00	Not Available	Not Available	Not Available
10.	Amber Enterprises India Ltd	5,995.74	859.00**	January 30, 2018	1,180.00	Not Available	Not Available	Not Available

* The offer price was 770.00 per equity share after a discount of Rs. 30 per equity share to retail individual bidders and eligible employees.

** The offer price was 774.00 per equity share after a discount of Rs. 85 per equity share to eligible employees.

Notes:

- Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/finalised basis of allotment for issue details.
- NSE was the designated stock exchange for the IPOs listed as item 1,5,6 & 7 and BSE was the designated stock exchange for the IPOs listed as item 2,3,4, 8, 9 & 10. Therefore, price information and benchmark index values have been/will be shown only for designated stock exchange. NIFTY and SENSEX have been used as the benchmark indices.
- In case of reporting dates falling on a trading holiday, values for the trading day, immediately following the trading holiday have been considered.
- Since 30, 90 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available.

Table 2: Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by IDFC Bank Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Million)	No. of IPOs trading at discount - 30th calendar day from listing			No. of IPOs trading at premium - 30th calendar day from listing			No. of IPOs trading at discount - 180th calendar day from listing			No. of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2017-2018*	9	219,468.50	-	1	2	2	1	1	-	-	-	1	-	-
2016-2017	1	3,610.00	-	-	1	-	-	-	-	1	-	-	-	-
2015-2016**	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**As on the date of DRHP*

*** From October 21, 2015, the date of registration under SEBI (Merchant Banker) Regulations 1992,*

Notes:

- i. Date of listing of equity shares has been considered for calculating total no. of IPOs in a particular financial year.*
- ii. The discount/premium has been/will be calculated based on the closing stock price.*
- iii. Since 30 and 180 calendar days, from listing date has not elapsed for certain IPOs, data for the same is not available*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
IIFL Holdings Limited	www.iiflcap.com
ICICI Securities Limited	www.icicisecurities.com
IDFC Bank Limited	www.idfcbank.com

Caution – Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, Selling Shareholders, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.capricorngroup.com, or any website of any of the members of our Promoter Group, Subsidiaries or any affiliate of our Company or the Selling Shareholders, would be doing so at his or her own risk. The Selling Shareholders and their respective directors, affiliates, associates and officers accept no responsibility for any statements made or undertakings provided other than those made by the Selling Shareholders, and only in relation to them and/or to the Equity Shares offered by the Selling Shareholders through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement entered into among the BRLMs, the Selling Shareholders and our Company, and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the Bidders and public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company, the Selling Shareholders nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and our respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders that bid in the Offer will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families (“HUFs”), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds (“AIFs”), FPIs registered with SEBI and QIBs.

This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us shall be included in the Red Herring Prospectus prior to filing with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us shall be included in the Red Herring Prospectus prior to filing with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at Mumbai, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act 2013 will be delivered for registration to the RoC situated at the address mentioned below.

The Registrar of Companies, Chennai

Block No.6,B Wing 2nd Floor
Shastri Bhawan 26,
Haddows Road,
Chennai - 600034
Tamil Nadu

Listing

Applications have been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. If our Company does not allot

Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

The Selling Shareholders undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company and the BRLMs, to the extent such support and cooperation is required from such party to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

“Any person who –

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, the Chief Financial Officer, the Company Secretary and Compliance Officer, the Auditors, the legal counsels, the Bankers to our Company, industry data providers, independent chartered accountants, the BRLMs and Registrar to the Offer have been obtained; and (b) the Syndicate Members, Bankers to the Offer/ Escrow Collection Banks, Refund Bank and Monitoring Agency to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 and 32 of the Companies Act 2013. Further, such consents shall not be withdrawn up to the time of delivery of this Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus with the SEBI.

Expert Opinion

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

Our Company has received written consent from, R. Subramanian and Company LLP, Chartered Accountants, our Auditors, to include its name as required under Section 26(1)(a)(v) of the Companies Act 2013 in this Draft Red Herring Prospectus and as “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect of their examination reports dated February 2, 2018 on the Restated Standalone Financial Information and Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has also received a written consent from, R. Subramanian and Company LLP, Chartered Accountants, to include their name as an “expert” for the statement of tax benefits dated February 2, 2018 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has also received consent from Frost & Sullivan, to include its name in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect to the Frost & Sullivan Report.

Our Company has also received written consent from Er. Yogesh R. Chandak and Key Vee Builders, to include their names in this Draft Red Herring Prospectus as required under Section 26(1)(a)(v) of the Companies Act 2013 and as an “expert” as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013 in respect to the Installed Capacity Certificate and Storage Capacity Certificate, respectively.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, underwriting fees, brokerage and selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage, selling commission and bidding charges payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. For further details of Offer expenses, see “*Objects of the Offer*” from page 103 to page 104.

Fees, Brokerage and Selling Commission

The total fees payable to the BRLMs and Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the engagement letters and the Syndicate Agreement copies of which shall be available for inspection at our Registered and Corporate Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus with the RoC until the Bid/Offer Closing Date. For further details of Offer expenses, see “*Objects of the Offer*” from page 103 to 104.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer, including fees for processing of Bid cum Application Forms, data entry, printing of Allotment Advice/CAN, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the Registrar Agreement signed among our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which shall be made available for inspection at our Registered and Corporate Office from 10 am to 4 pm on Working Days. Adequate funds shall be provided to the Registrar to the Offer to enable it to send refund orders or Allotment Advice by registered post or speed post or ordinary post.

Particulars regarding Public or Rights Issues during the Last Five Years

Except as disclosed in “*Capital Structure*” on page 84, there have been no public issues, including any rights issues undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see – “*Objects of the Offer*” “*Offer Expenses*” above on page 103.

Commission or Brokerage on Previous Issues

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

Previous Issues Otherwise than for Cash

Except as disclosed in “*Capital Structure*” on page 84, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Capital Issues in the Preceding Three Years

Except as disclosed in “*Capital Structure*” on page 84, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus. None of our Subsidiaries, or Group Company is a listed company.

Performance vis-à-vis Objects

Except as disclosed in “*Capital Structure*” on page 84, in relation to rights issues to existing shareholders of the Company, our Company has not undertaken any public or any rights issues in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects: Last Issue of Subsidiaries and Group Companies

Except, Gonglu Agro Private Limited, none of our Subsidiaries and group Company have made any public or rights issues in the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures, Bonds or Redeemable Preference Shares or other instruments

Our Company does not have any outstanding debentures, bonds or redeemable preference shares or other instruments, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement dated February 5, 2018 between the Registrar to the Offer, the Selling Shareholders and our Company, provides for retention of records with the Registrar to the Offer for a minimum period of three years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Offer. All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Bid cum Application Form number, Bidders DP’ ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Our Company, BRLMs and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-

routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mythili Girish as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems at the contact details set out in “**General Information**” on page 75.

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Further, our Board has constituted a Stakeholders Relationship Committee comprising our Directors, Prasanna Kasturi Penna Mohamed Basheer Ahamed and Rahoul Jain, which is responsible for redressal of grievances of the security holders of our Company. For more information, see “**Management - Board committees - Stakeholders’ Relationship Committee**” on page 184.

Disposal of investor grievances by listed Group Companies

As on the date of this Draft Red Herring Prospectus, our Group Companies are not listed on any stock exchange, and therefore there are no investor complaints pending against any of them.

Changes in Auditors

Except as described below, there has been no change in our statutory auditors during the three years immediately preceding the Draft Red Herring Prospectus.

Name of Auditor	Date of Change	Reason
M/s R. Subramanian and Company LLP	August 12, 2017	Appointment
M/s S.P. Associates	August 8, 2017	Resignation

Capitalization of Reserves or Profits

Our Company has not capitalized its reserves or profits at any time during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the last five years preceding the date of this Draft Red Herring Prospectus.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued pursuant to the Offer are subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the abridged prospectus and other terms and conditions as may be incorporated in the Confirmation of allocation notes (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI, FIPB and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and allotted in the Offer will be subject to the provisions of the Companies Act, SEBI Listing Regulations, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, “*Dividend Policy*” and “*Main Provisions of our Articles of Association*” on pages 197 and 395, respectively.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared, after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer, will be received by the Allottees, in accordance with applicable law. For more information, see “*Dividend Policy*” and “*Main Provisions of our Articles of Association*” on pages 197 and 395, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●]. The Anchor Offer Price is [●].

The Price Band and the Minimum Bid Lot will be decided by our Company in consultation with the BRLMs and published at least five Working Days prior to the Bid/Offer Opening Date, in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper and in [●] (a widely circulated Tamil newspaper, Tamil being the regional language in the place where our Registered and Corporate Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchanges.

Compliance with the SEBI Regulations

Our Company shall comply with all the disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable law and our Articles of Association, the Equity Shareholders will 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 and e-voting;
- right to receive offers for rights shares and be allotted bonus shares, if announced;

- right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see “**Main Provisions of the Articles of Association**” on page 395.

Market Lot and Trading Lot

In terms of Section 29 of the Companies Act 2013, the Equity Shares will be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of our Equity Shares will only be in dematerialized form.

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialized form in multiples of one Equity Share, subject to a minimum allotment of [●] Equity shares. For the method of Basis of Allotment, see “**Offer Procedure**” on page 348.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination Facility to the Bidder

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 the holder’s death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, will, on the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, 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 Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to not proceed with the Offer at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the Pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If our Company and the Selling Shareholders, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Offer Closing Date; and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges.

Except in relation to Anchor Investors, Bids and any revision in Bids will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Offer Period at the Bidding Centers, except that on the Bid/Offer Closing Date (which for QIBs may be a day prior to the Bid/Offer Closing Date for non-QIBs), Bids will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors. On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges. Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders are advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. If a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs would be rejected. Our Company, the Selling Shareholders and the members of Syndicate will not be responsible for any failure in uploading Bids due to faults in any hardware/software system or otherwise. Bids will be accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

Our Company in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of Price Band subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges by issuing a press release and by indicating the change on the websites of the BRLMs and terminals of the Syndicate Members. However, in case of revision in the Price Band, the Bid Lot shall remain the same.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Bid/Offer Period

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]
FINALIZATION OF BASIS OF ALLOTMENT	[●]
INITIATION OF REFUNDS FOR ANCHOR INVESTORS/UNBLOCKING OF FUNDS	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]
COMMENCEMENT OF TRADING	[●]

* Our Company, in consultation with the BRLMs may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.

** Our Company, may in consultation with the BRLMs, decide to close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date.

This timetable is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date, the timetable may be subject to change for various reasons, including extension of Bid/Offer period by our Company due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law. Each Selling Shareholder confirms that it shall extend reasonable cooperation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date. Bids other than Bids from Anchor Investors for non-ASBA are liable to be rejected.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Fresh Issue, including through the devolvement to the Underwriters, as applicable, our Company shall forthwith refund the entire subscription amount received within the timelines prescribed under applicable laws, failing which, the Directors of our Company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of 15% per annum. This is further subject to the compliance with Rule 19(2) (b) of the SCRR. Further in terms of Regulation 26(4) of the SEBI ICDR Regulations, our Company will ensure that the number of Bidders to whom the Equity Shares are Allotted in the Offer will be not less than 1,000. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2) (b) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays etc. for the Equity Shares being offered in the Offer will be reimbursed by the Selling Shareholders in relation to their respective proportion of the Offered Shares to our Company in proportion to the Equity Shares being offered for sale by the Selling Shareholders in the Offer.

Allottees in the offer shall be not less than 1,000.

The requirement for minimum subscription is not applicable to the Offer for Sale in accordance with SEBI ICDR Regulations.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on Transfer of Shares

Except for lock-in of pre-Offer equity shareholding, Minimum Promoter's Contribution and Anchor Investor lock-in in the Offer, as detailed in "*Capital Structure*" on page 84 and as provided in our Articles as detailed in "*Main Provisions of the Articles of Association*" on page 395, there are no restrictions on transfers and transmission of shares and on their consolidation/splitting.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a Price of ₹ [●] per Equity Share for cash, including a premium of ₹[●] per Equity Share, aggregating up to ₹ [●] million and is being made through the Book Building Process. The Offer comprises a Fresh Issue of [●] Equity Shares by our Company aggregating up to ₹ 1,710 million and an Offer for Sale of up to 7,643,000 Equity Shares aggregating to ₹ [●] by the Selling Shareholders. In terms of Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●] % of the post-Offer paid up Equity Share capital of our Company.

The Offer is being made through Book Building Process.

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation ⁽²⁾	Not more than [●] Equity Shares	Not less than [●] Equity Shares or the Offer less allocation to QIB Bidders and Retail Individual Investors shall be available for allocation	Not less than [●] Equity Shares or the Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation
Percentage of Offer size available for allocation	Not more than 50% of the Offer size. However 5% of the QIB Category, net of the Anchor Investor Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the portion will also be eligible for allocation in the remaining QIB category. Unsubscribed portion in the Mutual Fund Portion, if any, will be added to the QIB Category	Not less than 15% of the Offer or Offer less allocation to QIB Bidders and Retail Individual Investors	Not less than 35% of the Offer or Offer less allocation to QIB Bidders and Non Institutional Investors
Basis of Allotment if respective category is oversubscribed ⁽³⁾	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity shares have been allocated on a discretionary basis to Anchor Investors	Proportionate	In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid lot ("Maximum RIB Allottees"). The Allotment to Retail Individual Investors will then be made in the following manner: <ul style="list-style-type: none"> In the event the number of Retail Individual Investors who have submitted valid Bids in the Offer is equal to or less than Maximum RIB Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
			<p>proportionate basis to the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Shares Bid by them (<i>i.e.</i>, who have Bid for more than the minimum Bid lot).</p> <ul style="list-style-type: none"> In the event the number of Retail Individual Investors who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid lot shall be determined on draw of lots basis
Mode of Bidding	Through ASBA process only (except Anchor Investors)		
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size Offer subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount does not exceed ₹ 200,000 net of retail discount.
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share		
Who can Apply ⁽⁴⁾	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India,	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors sub-accounts of FIIs which are foreign corporate or foreign individuals such that the Bid Amount exceeds ₹ 200,000 in value.	Resident Indian Individuals, Eligible NRIs, HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.

Particulars	QIBs ⁽¹⁾	Non-Institutional Investors	Retail Individual Investors
	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 and systemically important non-banking financial company having a net-worth of more than five hundred crore rupees as per the last audited financial statements.		
Terms of Payment	<p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their bids.⁽⁵⁾</p> <p>In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>		

⁽¹⁾ Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For details, see “Offer Procedure” on page 348.

⁽²⁾ Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion), shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. The Offer shall constitute at least 25% of the fully diluted post-Offer paid up equity share capital of our Company. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2) (b) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids.

⁽³⁾ Assuming full subscription in the Offer.

⁽⁴⁾ In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

⁽⁵⁾ In case the Anchor Investor Allocation Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them. For details of terms of payment applicable to Anchor Investors, see “Offer Procedure – Allotment Procedure and Basis of Allotment” on page 383.

Bidders will confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, notified by SEBI (“General Information Document”) included below under section titled “ – Part B - General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act 2013, to the extent applicable to a public issue and any other enactments and regulations. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through made in terms of Rule 19(2)(b) of the SCRR and the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations wherein 50% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis, in accordance with SEBI Regulations of which at least one-third will be available for allocation to domestic Mutual Funds, in accordance with the SEBI ICDR Regulations. In the event of under subscription in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Category (other than Anchor Investor Portion). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only, subject to valid Bids being received from the domestic Mutual Funds at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Category (other than Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Category (other than Anchor Investor Portion) for proportionate allocation to QIBs. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer.

Bidders (other than Anchor Investors) must provide bank account details and authorisation to block funds in their respective ASBA Account in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such detail are liable to be rejected.

Further, Bidders (other than Anchor Investors) shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp maybe liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis [^]	White
Non-Residents including FPIs (including FIIs), and Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis [^]	Blue
Anchor Investors**	White

* Excluding electronic Bid cum Application Forms

**Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.

[^] Electronic Bid cum Application forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who can Bid?

In addition to the category of Bidders set forth under the section “**General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue**” on page 362, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- any other persons eligible to Bid in the Offer under the laws, rules, regulations, guidelines and policies applicable to them;
- FPIs, other than Category III FPIs; and
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Category.

Participation by associates and affiliates of the BRLMs and the Syndicate Members, Promoter, Promoter Group and persons related to Promoter/Promoter Group

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs

and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Promoter, Promoter Group, BRLMs and any persons related to the BRLMs (except Mutual Funds sponsored by entities related to the BRLMs) cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason therefore. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External (“**NRE**”) accounts, or Foreign Currency Non-Resident (“**FCNR**”) accounts, and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

Bids by FPIs

In terms of the Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2014 (“**SEBI FPI Regulations**”), investment in the Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be below 10% of our post-Offer Equity Share capital.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company or 10% of the paid-up value in respect of each series of instruments and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% and 100% 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 in our Company.

Portfolio investments in listed companies by non-FPIs: A new route has been made available for foreign investments by *any* Non-Resident (NR) up to a 10% limit in listed companies. Primary subscription under this route does not require advance reporting or FC-GPR reporting.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The FVCI Regulations and the SEBI AIF Regulations among other things, prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF or FVCI registered with SEBI in any company should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Neither the Company nor the BRLMs will be responsible for loss, if any incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by the SEBI. 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 Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the "**IRDA Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and with the Selling Shareholders reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Selling Shareholders, in consultation with the BRLMs, may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Bids by Anchor Investors

For details in relation to Bids by Anchor Investors, see “*Offer Procedure – Part B – General Information Document for Investing in Public Issues*” on page 359.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason therefor.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] edition of [●] (a widely circulated English national daily newspaper), [●] edition of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Tamil national daily newspaper), Tamil also being the regional language in the place where our Registered and Corporate Office is located). Our Company shall, in the pre- Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date.

Do's:

1. check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. ensure that you have Bid within the Price Band;
3. read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;

6. if the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form;
7. all Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
8. ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;
11. ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
12. with respect to bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your bid;
13. submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
14. except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. ensure that the Demographic Details are updated, true and correct in all respects;
16. ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;
19. ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant

Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;

21. ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>).
22. ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
23. the Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with;
24. Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. do not Bid for lower than the minimum Bid size;
2. do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
8. do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
9. do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
10. do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. do not submit your Bid after 3.00 pm on the Offer/Issue Closing Date;
12. if you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
13. instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

14. do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Investors);
15. do not submit the General Index Register (GIR) number instead of the PAN;
16. do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
17. do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account;
18. do not submit more than five Bid cum Application Forms per ASBA Account;
19. do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
20. do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
21. do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise; and
22. do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts should be drawn in favor of:

- (i) In case of resident Anchor Investors: “[●]”
- (ii) In case of non-resident Anchor Investors: “[●]”

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated December 22, 2017 entered into by and among NSDL, our Company and the Registrar to the Offer.
- Agreement dated December 20, 2017 entered into by and among CDSL, our Company and Registrar to the Offer.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name”

shall be liable for action under Section 447. The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Our Company undertakes the following:

- (i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date;
- (iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- (vii) that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (viii) that if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company or the Selling Shareholders subsequently decides to proceed with the Offer;
- (ix) that the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- (x) that adequate arrangements shall be made to collect all Bid cum Application Forms;
- (xi) that our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received; and
- (xii) that the Promoter’s Contribution in full, wherever required, shall be brought in advance before the Offer Opening Date and the balance, if any, shall be brought in pro rata basis before the calls are made on public.

Undertakings by the Selling Shareholders

Each Selling Shareholder, severally and not jointly, specifically confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

- (i) the Equity Shares offered pursuant to the Offer for Sale are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and have been held by the Selling Shareholders for a period of at least one year prior to the date of this Draft Red Herring Prospectus, provided that, to the extent that the Equity Shares being offered have resulted from a bonus issue, the bonus issue has been on Equity Shares held for a period of at least one year prior to the filing of the DRHP;
- (ii) the Selling Shareholders are the legal and beneficial owners of and have full title to their respective Equity Shares being offered through the Offer for Sale.
- (iii) the Selling Shareholders will not have recourse to the proceeds of the Offer for Sale, until approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received;
- (iv) the Selling Shareholder will deposit the Equity Shares offered by it in the Offer in an escrow account opened with the Registrar to the Offer at least two Working Days days prior to filing of the Red Herring Prospectus with the RoC;
- (v) the Selling Shareholder shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- (vi) the Selling Shareholder will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer; and
- (vii) the Selling Shareholders will take all such steps as may be required to ensure that the Equity Shares being sold by them in the Offer for Sale are available for transfer in the Offer for Sale free and clear of any encumbrance.

The Selling Shareholders have authorized the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Utilization of Net Proceeds

Our Board certifies that:

- (i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013
- (ii) details of all monies utilised out of the Fresh Issue referred to in sub item (i) shall be disclosed and continue to be disclosed until the time any part of the Net Proceeds remains unutilised, under an appropriate separate head in the balance-sheet of the Issuer indicating the purpose for which such monies had been utilised; and
- (iii) details of all unutilised monies out of the Fresh Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company and the Selling Shareholders, respectively, specifically confirm and declare that all monies received from the Fresh Issue and the Offer for Sale shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act 2013.

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PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Offers. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, and on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the SEBI ICDR Regulations.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus (“**RHP**”) / Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Offer and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is, among other things, required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is, among other things, required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act 2013 (to the extent notified and in effect), the Companies Act 1956 (to the extent applicable), the SCRR, industry-specific regulations, if any, and other applicable

laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Offer Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Offer (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

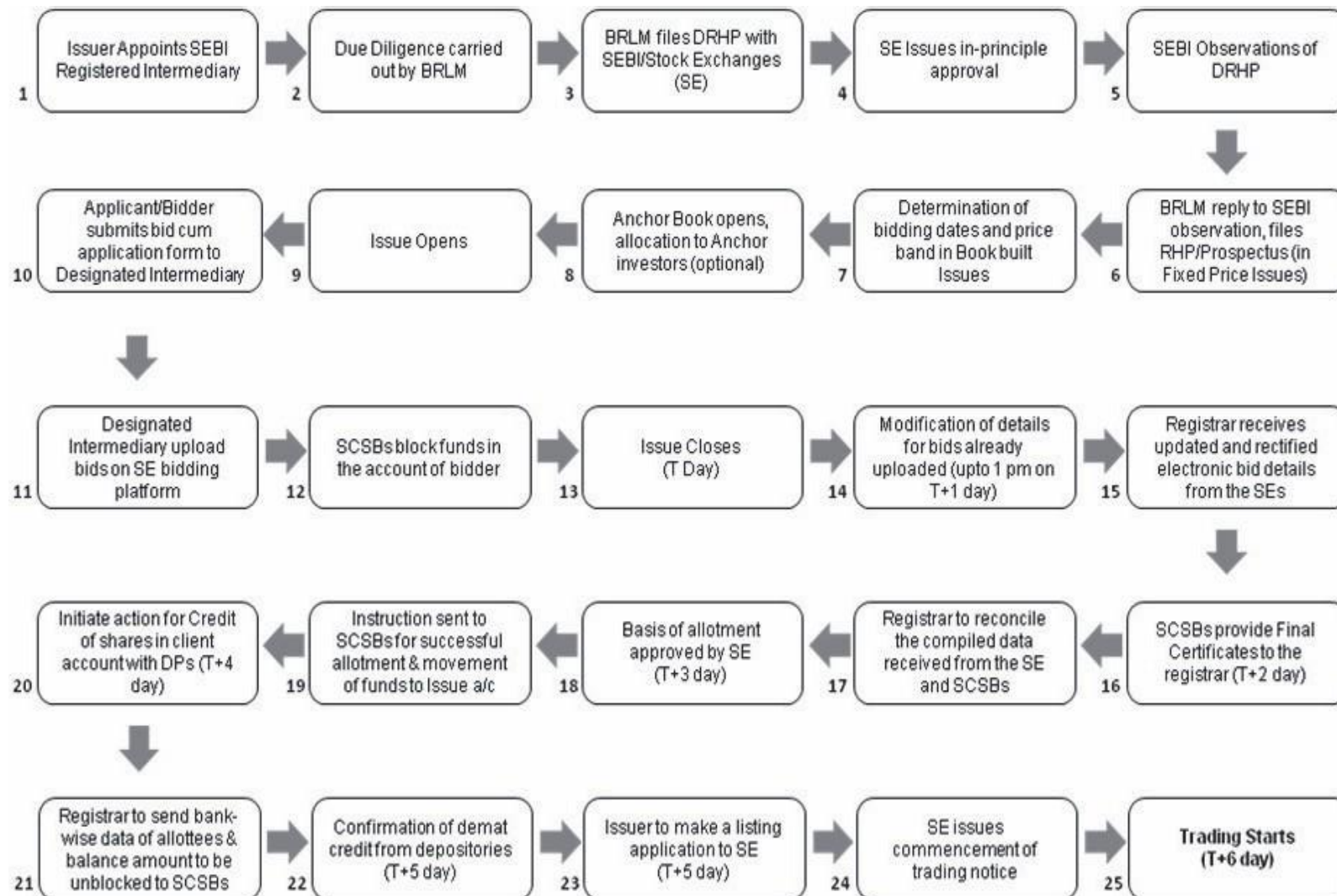
The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Offer other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - i. Step 7 : Determination of Offer Date and Price
 - ii. Step 10: Applicant submits Bid cum Application Form with Designated Intermediaries.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to hold and invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing stamp of a Designated Intermediary as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus. For Anchor Investors, Bid cum Application Forms shall be available at the offices of the BRLM.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the Designated Intermediary as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in accordance with Section 29 of the Companies Act 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

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Application Form – For Non – Residents

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS
Address : _____ Contact Details: _____ CIN No. _____		

LOGO TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : _____

Bid cum Application Form No. _____

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER	
Mr. / Ms. _____	
Address _____	
Email _____	
Tel. No (with STD code) / Mobile _____	
2. PAN OF SOLE / FIRST BIDDER	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS																					
<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL																					
For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID																					
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")																					
Bid Options:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 10%;">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th></th> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> <tr> <td>Option 1</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>(OR) Option 2</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>(OR) Option 3</td> <td>_____</td> <td>_____</td> <td>_____</td> </tr> </table>	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				Bid Price	Retail Discount	Net Price	Option 1	_____	_____	_____	(OR) Option 2	_____	_____	_____	(OR) Option 3	_____	_____	_____
No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																				
	Bid Price	Retail Discount	Net Price																		
Option 1	_____	_____	_____																		
(OR) Option 2	_____	_____	_____																		
(OR) Option 3	_____	_____	_____																		

5. CATEGORY	
<input type="checkbox"/> Retail Individual Bidder	<input type="checkbox"/> Non-Institutional Bidder
<input type="checkbox"/> QIB	

6. INVESTOR STATUS	
<input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis)	
<input type="checkbox"/> FII FII or Sub-account not a Corporate/Foreign Individual	
<input type="checkbox"/> FIISA FII Sub-account Corporate/Individual	
<input type="checkbox"/> FVCI Foreign Venture Capital Investor	
<input type="checkbox"/> FPI Foreign Portfolio Investors	
<input type="checkbox"/> OTH Others (Please Specify) _____	

7. PAYMENT DETAILS	
Amount paid (₹ in figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	

8A. SIGNATURE OF SOLE / FIRST BIDDER	
_____ Date : _____	

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	
I/We authorize the SCSB to do all acts as are necessary to make the Application in the name 1) _____ 2) _____ 3) _____	

9. BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)	
_____ _____ _____	

10. ACKNOWLEDGEMENT SLIP FOR BIDDER	
Bid cum Application Form No. _____ PAN of Sole / First Bidder _____	

11. ACKNOWLEDGEMENT SLIP FOR BIDDER	
Bid cum Application Form No. _____ PAN of Sole / First Bidder _____	

12. ACKNOWLEDGEMENT SLIP FOR BIDDER	
Bid cum Application Form No. _____ PAN of Sole / First Bidder _____	

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of Bidders (other than Anchor Investors) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the Registrar to the Offer only for correspondence(s) related to an Offer and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013 which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market

irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for any correspondence(s) related to an Offer.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can

Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise or withdraw their bids until Bid/Offer Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Offer size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))).

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Offer portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions.

Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.
- (c) All Bidders (except Anchor Investors) can participate in the Offer only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, cheque, demand draft, through money order or through postal order.

4.1.7.1. **Instructions for Anchor Investors:**

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by RTGS or NEFT.
- (c) The Escrow Collection Bank(s) shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2. **Payment instructions for Bidders (other than Anchor Investors)**

- (a) Bidders may submit the Bid cum Application Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- (b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum

Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.3 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public

Offer Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Offer Closing Date.

4.1.7.4 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Offer may block for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, unblocking of funds, the Bidders/Applicants should contact the Registrar to the Issue.
 - ii. In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

- iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - iv. In case of queries relating to uploading of Bids by a Designated Intermediary, the Bidders/Applicants should contact the relevant Designated Intermediary.
 - v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (c) The following details (as applicable) should be quoted while making any queries –
- i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - ii. name and address of the Designated Intermediary, where the Bid was submitted or
 - iii. Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their Bids or withdraw their bids until Bid/Offer Closing date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT OIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
	Address : _____ Contact Details: _____ CIN No. _____	
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____
		Bid cum Application Form No. _____

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr./Ms. _____ Address _____ Tel. No. (with STD code) / Mobile _____ Email _____
		2. PAN OF SOLE / FIRST BIDDER _____
		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS _____ For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

PLEASE CHANGE MY BID												
4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>	
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____											
ASBA Bank A/c No. _____											
Bank Name & Branch _____											

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : _____	I/We authorize the SCSB to deal with all necessary formalities for Application in the form: (1) _____ (2) _____ (3) _____	

LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/ DP/RTA	Bid cum Application Form No. _____
	BID REVISION FORM - INITIAL PUBLIC ISSUE - R		
DPID / CLID		PAN of Sole / First Bidder	
Additional Amount Paid (₹)		Stamp & Signature of SCSB Branch	
ASBA Bank A/c No.			
Received from Mr./Ms.			
Telephone / Mobile	Email		

XYZ LIMITED - BID REVISION FORM - R INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"></td> </tr> <tr> <td>Bank & Branch</td> <td colspan="3"></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Paid (₹)				ASBA Bank A/c No.				Bank & Branch				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Stamp & Signature of Broker / SCSB / DP / RTA</td> <td rowspan="2">Name of Sole / First Bidder</td> </tr> <tr> <td colspan="2"></td> </tr> <tr> <td colspan="2">Acknowledgement Slip for Bidder</td> <td></td> </tr> <tr> <td colspan="2">Bid cum Application Form No.</td> <td></td> </tr> </table>	Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder			Acknowledgement Slip for Bidder			Bid cum Application Form No.		
	Option 1	Option 2	Option 3																																		
No. of Equity Shares																																					
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Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder																																			
Acknowledgement Slip for Bidder																																					
Bid cum Application Form No.																																					

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding will be unblocked.

4.2.3 **FIELD 6: PAYMENT DETAILS**

- (a) All Bidders/Applicants are required to authorize blocking of the full Bid Amount (less Discount (if applicable) at the time of submitting the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) Bidder/Applicant, Bidder/Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that no additional amount is required for blocking Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

- (d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 **FIELD 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Offer Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Offer size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
 - ii. For applications from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Offer portion in public category.

- ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

- (a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

- (a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Offer
- (b) Application Amount cannot be paid in cash, cheques or demand drafts through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

- (a) Applicants may submit the Application Form in physical mode to the Designated Intermediaries.
- (b) Applicants must specify only such Bank Account number maintained with the SCSB in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- (l) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2 **Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within six Working Days of the Offer Closing Date.

4.3.5.3 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 **SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM**

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	To the Book Running Lead Managers at the Specified Locations mentioned in the Bid cum Application Form
All Applications (other than Anchor Investors)	<p>(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the Collecting RTAs at the Designated RTA Locations or the CDPs at the Designated CDP Locations</p> <p>(b) To the Designated Branches of the SCSBs where the ASBA Account is maintained</p>

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/Offer Period, ASBA Bidders/Applicants may approach any of the Designated Intermediary to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- (c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the

Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Offer Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer period, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalization of basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to
 - i. the Bids accepted by the Designated Intermediary;
 - ii. the Bids uploaded by the Designated Intermediary; and
 - iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.
- (b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, among other things, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as

amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

- (b) Bids/Applications of Bidders (other than Anchor Investors) accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;
- (c) Bids/Applications by OCBs;
- (d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (h) Bids/Applications by persons in the United States;
- (i) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (j) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (k) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (l) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (m) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (n) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (o) The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (p) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (q) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- (r) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (u) Bank account mentioned in the Bid cum Application Form may not be an account maintained

by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

- (v) In case of Anchor Investors, Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Bank;
- (w) Where no confirmation is received from SCSB for blocking of funds;
- (x) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (y) Bid cum Application Form submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collection Bank (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;
- (z) Bids not uploaded in the Stock Exchanges bidding system;
- (aa) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.
- (b) Under-subscription in any category (except QIB category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead

managers, may finalise the Offer Price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this Offer Price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“**ASBA Account**”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date.

In a fixed price Issue, allocation in the offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail

Category at or above the Offer Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot (**“Maximum RII Allottees”**). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the issuer in consultation with the BRLMs, subject to compliance with the following requirements:
 - i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

- ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 250 crores and an additional 10 Anchor Investors for every additional ₹ 250 crores or part thereof, subject to minimum allotment of ₹ 5 crores per such Anchor Investor.
- (b) **An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Offer.**
- (c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (d) **In the event that the Offer Price is higher than the Anchor Investor Offer Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (e) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of

Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Accounts, as per the terms of the Escrow Agreement, into the Public Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Offer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within five Working Days from the Bid/Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within six Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith may take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not refunded to Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, as applicable, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Offer Closing Date and repay, without interest, all moneys received from Anchor Investors. This is further subject to the compliance with Rule 19(2)(b) of the SCRR. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay or unblock the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of prescribed time period under applicable laws, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations but fails to Allot at least 75% of the Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

1. **In case of ASBA Bids:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.
2. **In case of Anchor Investors:** Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
3. In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID

and PAN provided by the Anchor Investors in their Bid cum Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- i. **NACH**—National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;
- ii. **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine- digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- iii. **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and
- iv. **RTGS**—Anchor Investors having a bank account with a bank branch which is RTGS enabled as per the information available on the website of RBI and whose refund amount exceeds ₹ 0.2 million, shall be eligible to receive refund through RTGS, provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Anchor Investor's bank which can be mapped with the RBI data to obtain the corresponding IFSC. Charges, if any, levied by the Escrow Collection Bank for the same would be borne by our Company. Charges, if any, levied by the Anchor Investor's bank receiving the credit would be borne by the Anchor Investor.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders/Applicants may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to

Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working Days of the Bid/Offer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in the Draft Red Herring Prospectus, the description as ascribed to such term in the Draft Red Herring Prospectus shall prevail.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
Banker(s) to the Offer/ Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid/Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date

Term	Description
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/Bidders may refer to the RHP/Prospectus for the Bid/Offer Period
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2 nd and 4 th Saturday of a month and public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or Collecting RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries /Collecting Agent	Syndicate Members, sub-syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and Collecting RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the Collecting RTAs where Bidders can submit the Bid cum Application Forms to Collecting RTAs. The details of such Designated RTA Locations, along with names and contact details of the Collecting RTAs eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the Promoter and immediate relatives of the Promoter. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Anchor Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Escrow Collection Bank and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price. The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations
RTGS	Real Time Gross Settlement

Term	Description
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTO	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹200,000 (including HUFs applying through their karta and eligible NRIs and does not include NRIs other than Eligible NRIs.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended
Self Certified Syndicate Bank(s) or SCSB(s)	The banks registered with the SEBI which offers the facility of ASBA and the list of which is available on the website of the http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is included in the Bid cum Application Form
Stock Exchanges	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of Bid cum Application Forms by Syndicate Members
Syndicate Member(s)	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	Any day, other than Saturdays or Sundays, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Offer Opening Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

CAPRICORN FOOD PRODUCTS INDIA LIMITED (Incorporated under Companies Act 1956) (Limited By Shares)

The Articles of Association of the Company comprise two parts, Part A and Part B. Upon the commencement of listing of the equity shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the equity shares of the Company, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of the Part A shall automatically come in effect and be in force, without any further corporate or other action by the Company or its shareholders

Part A

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the extra ordinary general meeting of the Company held on 23.10.2017 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

1.	(1)	The regulations contained in the Table marked 'F' in Schedule I to the Act shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.	Table 'F' not to apply
	(2)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	Company to be governed by these Articles
Definitions and Interpretation			
2.	(1)	In these Articles —	
	(a)	"Act" means the Companies Act, 2013 (including the relevant rules framed thereunder) or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	"Act"
	(b)	"Applicable Laws" means all applicable statutes, laws, ordinances, rules and regulations, judgments, notifications circulars, orders, decrees, bye-laws, guidelines, or any decision, or determination, or any interpretation, policy or administration, having the force of law, including but not limited to, any authorization by any authority, in each case as in effect from time to time	"Applicable Laws"
	(c)	"Articles" means these articles of association of the Company or as altered from time to time.	"Articles"
	(d)	"Board of Directors" or "Board", means the collective body of the directors of the Company nominated and appointed from time to time in accordance with Articles 85 to 95, herein, as may be applicable.	"Board of Directors" or "Board"
	(e)	"Company" means Capricorn Food Products India Limited.	"Company"
	(f)	"Equity Shares" means equity shares of the Company	"Equity Shares"
	(g)	"Lien" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy;	"Lien"
	(h)	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	"Rules"

	(i) "Memorandum" means the memorandum of the Company.	"Memorandum"
	(j) "Seal" means the common seal of the Company	"Seal"
(2)	Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.	"Number" and "Gender"
(3)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.	Expressions in the Articles to bear the same meaning as in the Act
Share capital and variation of rights		
3.	The authorised share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.	Authorised share capital
4.	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 Board 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 or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit.	Shares under control of Board
5.	Subject to the provisions of the Act, these Articles and with the sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	Board may allot shares otherwise than for cash
5A	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other Applicable Laws: (a) Equity Share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital	Kinds of share capital
6. (1)	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall provide – (a) one or more certificates in marketable lots for all his shares of each class or denomination registered in his name 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 or such charges as may be fixed by the Board for each certificate after the first.	Issue of certificate
(2)	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 the person first named on the register of members shall be sufficient delivery to all such holders.	Issue of share certificate in case of joint holding
(3)	Every certificate shall be under the seal and shall specify the shares to which it relates, distinctive numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.	Option to receive share certificate or hold shares with depository

7.	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.	Option to receive share certificate or hold shares with depository
8.	<p>If any 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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees not less than Rupees twenty and not more than Rupees fifty for each certificate as may be fixed by the Board.</p> <p>Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.</p>	Issue of new certificate in place of one defaced, lost or destroyed
8A	Except as required by Applicable Laws, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
8B	Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a 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 and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.	Terms of issue of debentures
9.	The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.
10. (1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, 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 the Act and the Rules.	Power to pay commission in connection with securities issued
(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
(3)	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.	Mode of payment of commission
11. (1)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply.	Provisions as to general meetings to apply <i>mutatis mutandis</i> to each Meeting
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	Issue of further shares not to affect rights of existing members

	terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	
13.	Subject to section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
14. (1)	<p>Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered:</p> <p>(a) to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions : -</p> <p>(i) the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined</p> <p>(ii) the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a statement of this right; and</p> <p>(iii) after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or</p> <p>(b) to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or</p> <p>(c) to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and Rules thereunder.</p> <p>The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue.</p> <p>The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the rules thereunder and other applicable provisions of the Act.</p>	Further issue of share capital
(2)	<p>Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture 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 debenture or the raising of loan by a special resolution passed by the Company in general meeting.</p>	
(3)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
15. (1)	<p>The Company shall have a first and paramount Lien -</p> <p>(a) on every share (not being a fully paid share) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p>	Company's lien on shares

	(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.	
(2)	The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien.	Waiver of Lien in case of registration
16.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a Lien: Provided that no sale shall be made— (a) unless a sum in respect of which the Lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the Lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing Lien by sale
17. (1)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.	Validity of sale
(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
(4)	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 with reference to the sale	Purchaser not affected
18. (1)	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.	Application of proceeds of sale
(2)	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.	Payment of residual money
19.	The provisions of these Articles relating to Lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to Lien to apply <i>mutatis mutandis</i> to debentures, etc.
Calls on shares		
20. (1)	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.	Board may make Calls
(2)	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.	Notice of call
(3)	A call may be revoked or postponed at the discretion of the Board	Revocation or postponement of call
21.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
23. (1)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
24. (1)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls

(2)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of nonpayment of sums
25.	The Board - (a) may, if it thinks fit, subject to the provisions of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The Directors may at any time repay the amount so advanced.	Payment in anticipation of calls may carry interest
26.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
27.	All calls shall be made on a uniform basis on all shares falling under the same class. <i>Explanation:</i> Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
28.	The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to calls to apply <i>mutatis mutandis</i> to debentures, etc.
Transfer of shares		
29. (1)	A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing which shall be duly executed by or on behalf of both the transferor and transferee and all provisions of section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.	Instrument of transfer to be executed by transferor and transferee
(2)	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.	
30.	The Board may, subject to the right of appeal conferred by the Section 58 of the Act decline to register - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the Company has a Lien.	Board may refuse to register transfer
31.	The Board may decline to recognise any instrument of transfer unless- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under sub-section (1) of Section 56 of the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares.	Board may decline to recognize instrument of transfer
32.	On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.	Transfer of shares when suspended
33A	Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a	Notice of refusal to register transfer

	transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.	
34.	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.
Transmission of shares		
35. (1)	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.	Title to shares on death of a member
(2)	Nothing in clause (1) 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.	Estate of deceased member liable
36. (1)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either – (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made.	Transmission Clause
(2)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
37. (1)	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.	Right to election of holder of share
(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
(3)	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.	Limitations applicable to notice
38.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
39.	The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company	Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc.
39A	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document	No fee for transfer or transmission
Forfeiture of shares		
40.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
41.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and	Form of notice

	(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
42.	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.	In default of payment of shares to be forfeited
43.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members.	Entry of forfeiture in register of members
44.	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.	Effect of forfeiture
45. (1)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
46. (1)	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, and shall 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.	Members still liable to pay money owing at the time of forfeiture
(2)	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.	Cesser of liability
47. (1)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
(4)	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, re-allotment or disposal of the share.	Transferee not affected
48.	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.	Validity of sales
49.	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.	Cancellation of share certificate in respect of forfeited shares
50.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
51.	The provisions of these Articles 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.	Sums deemed to be calls
52.	The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.
Alteration of capital		

53.	<p>Subject to the provisions of the Act, the Company may, by ordinary resolution</p> <ul style="list-style-type: none"> (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person. 	Power to alter share capital
54.	<p>Where shares are converted into stock:</p> <ul style="list-style-type: none"> (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose; (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/“member” shall include “stock” and “stock-holder” respectively. 	Right of stockholders
55.	<p>The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —</p> <ul style="list-style-type: none"> (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital. 	Reduction of capital
56.	<p>Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:</p> <ul style="list-style-type: none"> (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share. (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board 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. (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share. (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders. 	<p>Joint holders</p> <p>Liability of Joint holders</p> <p>Death of one or more joint-holders</p> <p>Receipt of one Sufficient</p> <p>Delivery of certificate and giving of notice to first named holder</p>

	<p>(e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.</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 joint-holders.</p> <p>(f) The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names.</p>	<p>Vote of joint holders</p> <p>Executors or administrators as joint holders</p> <p>Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc.</p>
Capitalisation of profits		
57. (1)	<p>The Company by ordinary resolution 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 (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p>	Capitalisation
(2)	<p>The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).</p>	Sum how applied
(3)	A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;	
(4)	The Board shall give effect to the resolution passed by the Company in pursuance of this Article.	
58. (1)	<p>Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and</p> <p>(b) generally do all acts and things required to give effect thereto.</p>	Powers of the Board for capitalisation
(2)	<p>The Board shall have power—</p> <p>(a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.</p>	Board's power to issue fractional certificate/ coupon etc
(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
Buy-back of shares		
59.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other Applicable Laws for the time	Buy-back of shares

	being in force, the Company may purchase its own shares or other specified securities.	
General meetings		
60.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
61.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
Proceedings at general meetings		
62.	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.	Presence of Quorum
63.	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
64.	The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
65.	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, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
66.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
67. (1)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
(2)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting – (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.	Certain matters not to be included in Minutes
(3)	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairperson in relation to Minutes
(4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be Evidence
68. (1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during business hours on all working days.	Inspection of minute books of general meeting
(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.	Members may obtain copy of minutes
Adjournment of meeting		
69. (1)	The Chairperson may, <i>suo motu</i> , adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
(3)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	Notice of adjourned meeting
(4)	Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Notice of adjourned meeting not required
Voting rights		
70.	Subject to any rights or restrictions for the time being attached to any class or classes of shares – (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up Equity Share capital of the company.	Entitlement to vote on show of hands and on poll

71.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
72. (1)	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.	Vote of joint holders
(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
73.	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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members <i>non compos mentis</i> and minor may vote
74.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
75.	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 or in regard to which the Company has exercised any right of Lien.	Restriction on voting rights
76.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
77.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
Proxy		
78. (1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
(2)	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, and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
79.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
80.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal
Board of Directors		
81.	Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than twelve (twelve).	Board of Directors
81A	The Directors shall not be required to hold any qualification shares in the Company.	
82. *(1)	The Board of Directors shall appoint the Chairman of the Company. The same individual may, at the same time, be appointed as the Chairman as well as the Managing Director of the Company.	Chairman and Managing Director
(2)	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation
83. (1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of Directors
(2)	The remuneration payable to the directors, including manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.	Remuneration to require members' consent

* Amended vide special resolution passed by the shareholders at the EGM held on 09.12.2017.

(3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.	Travelling and other expenses
(4)	Subject to the provisions of these Articles and the provisions of the Act, the Board may, decide to pay a Director out of funds of the Company by way of sitting fees, within the ceiling prescribed under the Act, a sum to be determined by the Board for each meeting of the Board or any committee or sub-committee thereof attended by him in addition to his traveling, boarding and lodging and other expenses incurred	Sitting Fees
APPOINTMENT AND REMUNERATION OF DIRECTORS		
84.	The Company by way of ordinary resolution or the Directors by way of a board resolution subject to subsequent shareholder approval may, subject to the relevant provisions of the Act, from time to time, appoint one or more of the Directors to be Managing Director or Managing Directors or other whole-time Director(s) of the Company, for a term not exceeding five years at a time and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission shall be in accordance with the relevant provisions of the Act	Appointment
84A.	Notwithstanding anything contained in these Articles, Milestone Private Equity Fund (Scheme: India Build Out Fund I) and Milestone Army Trust would be entitled to appoint such number of non-executive directors which is proportionate to the shareholding percentages of Equity Shares held by Milestone Private Equity Fund (Scheme: India Build Out Fund I) and Milestone Army Trust, subject to a minimum of 1 (one) nominee director, who shall be a non-executive director.	Investor Director
84B	Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board, such that no less than 50% of the Board composition shall consist of Independent Directors	Independent Director
85.	Subject to the provisions of Section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis.	Remuneration
86.	Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director	Payment for Extra Service
87.	All cheques, promissory notes, drafts, <i>hundis</i> , 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.	Execution of negotiable instruments
88. (1)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
(2)	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.	Duration of office of additional director
89. (1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an	Appointment of alternate director

	alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	
(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India	Duration of office of alternate director
(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
90. (1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
(2)	The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
Powers of Board		
91.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
Proceedings of the Board		
92. (1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Provided, that the Board of Directors shall hold meetings at least once in every three months and at least four times every calendar year.	When meeting to be convened
(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Board meetings
(5)	At least 21 (twenty one) Days' written notice shall be given, either (i) in writing, or (ii) by fax, e-mail or other approved electronic communication, receipt of which shall be confirmed in writing as soon as is reasonably practicable, to each Director, setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors.	Notice of Board meetings
93. (1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
94.	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.	Directors not to act when number falls below minimum
95. (1)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting	Directors to elect a Chairperson

96. (1)	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.	Delegation of powers
(2)	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.	Committee to conform to Board regulations
(3)	The participation of directors in a meeting of the Committee 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 Applicable Laws.	Participation at Committee meetings
97. (1)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
98. (1)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
99.	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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
100.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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.	Passing of resolution by Circulation
Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer		
101. (a)	Subject to the provisions of the Act,— A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.
(b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.
Registers		
102.	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory registers
103. (a)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	Foreign register
(b)	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i> , as is applicable to the register of members.	
THE SEAL		
104. (1)	The Board shall provide for the safe custody of the seal.	The seal, its custody and use

(2)	The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.	
Dividends and Reserve		
105.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	Company in general meeting may declare dividends
106.	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim dividends
107. (1)	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 applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	Dividends only to be paid out of profits
(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of Profits
108. (1)	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.	Division of profits
(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
(3)	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.	Dividends to be apportioned
109. (1)	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.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
(2)	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.	Retention of dividends
110. (1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of Payment
(3)	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.	Discharge to Company
111.	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.	Receipt of one holder sufficient
112.	No dividend shall bear interest against the Company.	No interest on dividends
113.	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death	Waiver of dividends

	or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	
UNPAID OR UNCLAIMED DIVIDEND		
114. (1)	Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) 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.	Transfer of unclaimed dividend
(2)	Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.	Transfer to IEPF Account
(3)	No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.	Forfeiture of unclaimed dividend
Accounts		
115. (1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by Applicable Laws or authorised by the Board.	Restriction on inspection by members
Winding up		
116.	Subject to the applicable provisions of the Act and the Rules made thereunder -	Winding up of Company
(a)	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.	
(b)	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.	
(c)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
Indemnity and Insurance		
117. (a)	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Directors and officers right to indemnity
(b)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	
(c)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Insurance
General Power		
118.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights,	General power

	privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.	
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Part B

PRELIMINARY

1. The regulations contained in table A is schedule I to the Companies Act 1956 shall apply to this company wherever provisions have not been made in these articles. In case of any doubt or conflict between and the said Table A and these Articles, these Articles alone shall apply unless these articles are repugnant to any legislative enactment for the time being in force.

DEFINITIONS AND INTERPRETATION

2. In the interpretation of these articles, the following words and expression shall have the same meaning assigned there under unless to the subject or context thereof:

- (a) **“the Company or This Company”** shall mean Capricorn Food Products India Limited
- (b) **“Act or Companies Act”** shall mean the Companies Act 1956, as amended and modified from time to time.
- (c) **“Affiliate”** means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person or, in the case of a natural person, any relative (as such term is defined in the Companies Act) of such person. For the purpose of this definition “Control” means the power to direct the management and policies of an entity whether through the ownership of voting capital, by the power to appoint the majority of directors on the board of directors or similar governing body of the entity, by contract or otherwise, and a holding or subsidiary company of any entity shall be deemed to be an Affiliate of that entity;
- (d) **“Annual General Meeting”** means a general meeting of the members.
- (e) **“Alternate Investors Director”** shall mean Directors as nominated by the Investors as per Section 313 of the Act.
- (f) **“Articles”** shall mean the Articles of Association of the Company as amended, modified or supplemented from time to time.
- (g) **“Board”** shall mean the Board of Directors of the Company.
- (h) **“Board Member”** shall mean any member of the Board.
- (i) **“Business Day(s)”** shall mean any day which is not (a) a Saturday or Sunday; nor (b) a day on which banks in Mumbai are closed for ordinary banking business;
- (j) **“Director”** shall mean a director on the Board.
- (k) **“Encumbrance or Encumber”** means any encumbrance including, without limitation, any claim, debenture, mortgage, pledge, charge, hypothecation, lien, deposit by way of security, bill of sale, option or right of pre-emption, beneficial ownership (including usufruct and similar entitlements), public right, common right, way leave, any provisional or executorial attachment and any other interest held by a third party;
- (l) **“Equity Share(s)”** shall mean the ordinary share or shares of the Company bearing a face value of INR 10/-(Indian Rupees Ten) per equity share;
- (m) **“ESOP”** shall mean Employees Stock Option Plan of the Company.
- (n) **“Investors”** shall mean, collectively Milestone Private Equity Fund (Scheme: India Build Out Fund I) (called Investor 1) and Milestone Army Trust (called Investor 2).

- (o) **“Independent Directors”** shall mean independent non-executive Directors appointed by the Board.
- (p) **“Investor Shares”** shall mean collectively
 - i. 1000,000 (One Million) Equity Shares transferred from the Promoters to the Investors.
 - ii. 9,000,000 (Nine Million) Equity Shares allotted and issued to the Investors by the Company.
 - iii. It is clarified that Investor Shares shall mean collectively 10,000,000 (Ten Million) Equity Shares as given above and shall include any other Equity Shares or securities allotted to / held by the Investors at any point of time

The Investor Shares shall rank pari passu with the Equity Shares of the Company.
- (q) **“INR”** or **“Rs.”** means Indian Rupee, the lawful currency of India.
- (r) **“IRR”** shall mean the **“Internal Rate of Return”** and unless as otherwise specified, (i) shall be calculated using the XIRR function of Microsoft Excel Software application; (ii) the period between the Completion Date for Subscription Shares and the Completion Date for Sale Shares respectively and the date of realisation of the payment by the Investors under the terms of the Share Subscription cum Share Purchase Agreement (both inclusive) would be taken into consideration for the purposes of calculating the IRR; and (iii) in calculating the IRR, amounts / returns received by the Investors by way of dividend (net of dividend distribution tax) or any other similar corporate action shall be taken into consideration;
- (s) **“Key Management Personnel”** shall mean Persons with the following individuals, including Managing Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), other CXOs, Vice Presidents, heads of departments and/or such other persons as may be decided by the Board.
- (t) **“Liquidity Event”** should have the same meaning as described in Article 99.
- (u) **“Person(s)”** means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, unlimited or limited liability company, joint venture, Government authority or trust or any other entity or organization;
- (v) **“Promoters”** shall mean, collectively, Rahoul Jain and Shuchi Jain.
- (w) **“Reserved Matter(s)”** means any of the matters specified in the Share Subscription cum Share Purchase Agreement.
- (x) **“Seal”** means the common seal of the company.
- (y) **“Shareholder(s)”** shall mean any existing shareholder(s) of the Company.
- (z) **“Share Capital”** or **“Securities”** shall mean and include fully issued and subscribed Equity Shares of the Company and any equity linked securities of the Company or equity linked convertible instruments issued by the Company
- (aa) **“Share Subscription cum Share Purchase Agreement”** shall mean share subscription, share purchase cum shareholders agreement entered between Capricorn Food Products India Limited, Rahoul Jain, Shuchi Jain, Milestone Private Equity Fund (Scheme: India Build Out Fund I) and Milestone Army Trust, dated 18 March 2013.

- (bb) **“Transfer”** means, whether directly or indirectly, any transfer, sale, assignment, pledge, hypothecation, creation of security interest in or lien or Encumbrance on, placing in trust (voting or otherwise) or any other disposal;
- (cc) Any other terms used in these articles and not defined herein, shall have the same meaning as defined in the Share Subscription cum Share Purchase Agreement.

Subject as aforesaid, any words or expressions contained in these Articles and defined in the Act shall, except where the subjects or context otherwise requires, bear the same meaning as in the Act.

SHARE CAPITAL

- 3.
 - (A) The authorised share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause V of Memorandum with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.
 - (B) Any change in the capital structure of the Company and its subsidiaries, by any means whatsoever, including raising (i.e. inviting, approving and/or allotting) any Share Capital or common stock or preferred equity or quasi equity or debt instruments whether convertible or not, shall require prior written approval of the Investors.
 - (C) Promoters along with its Affiliates shall, at all times continue to hold at least 65.52% of the Share Capital of The Company, except for dilution in shareholding resulting from any future capital raising (other than by the Investors under the Share Subscription cum Share Purchase Agreement) approved by the Investors.

SHARE CERTIFICATE

- 4. Certificate of title to shares shall be issued under the seal of the company. Every Share Certificate and every Certificate of title to the share, whether in renewal of an existing share certificate of document of title or issued for the first time, shall be issued under the authority of the Board and in accordance with the provisions of the companies (issue of share certificate) Rule, 1960, or any modifications thereof and in accordance with the provisions of law or such other rule having the force of law applicable thereto. Any such issue of shares / share certificates shall be as per the provisions of Share Subscription cum Share Purchase Agreement.
- 5. The Company may convert existing securities into dematerialized form.

LIEN

- 6. Regulations 9 to 12 both inclusive of Table “A” of the schedule I to the companies Act, 1956 shall apply to the Company.

CALL ON SHARES

- 7. Regulations 13 to 18 both inclusive of Table ‘A’ of the schedule I to the companies Act, 1956 shall apply to this Company.

TRANSFER AND TRANSMISSION OF SHARES

- 8. Any transfer or attempted transfer of any Equity Shares issued by the Company not specifically permitted by the Share Subscription cum Share Purchase Agreement shall be void, and the Company and the Promoters shall do every act, deed or thing to prevent such transfer from being given effect to.

9. The Promoters and such associates of the Promoters, identified by the Investors, shall not dispose or Transfer or Encumber any of their shareholding in the Company without the prior written approval of the Investors.
10. The Company and the Promoters agree that the Investors shall not be required to pledge their shareholding in the Company (neither the Investor Shares or any further Equity Shares issued at any time during the pendency of the Share Subscription cum Share Purchase Agreement) as and by way of security for any loans or indebtedness of the Company or provide any guarantee or any other support to any third party, including but without limitation to the lenders of the Company. It is hereby clarified that none of the Equity Shares held by the Investors in the Company shall be pledged and/or Encumbered without the prior written consent of the Investors. The proportionate shareholding of the Investors in any Subsidiary on indirect basis shall not be pledged and/or Encumbered without the prior written consent of the Investors.
11. The Company shall be responsible for the payment of any and all charges, stamp duty, taxes or duties related to the issue and allotment of Equity Shares to the Investors under the Share Subscription cum Share Purchase Agreement.
12. As long as the Investors and/or its Affiliates holds any Investor Shares or any other Securities in the Company, the Promoters shall maintain legal and beneficial ownership of their entire direct or indirect equity shareholding and voting interests in the Company and shall not Transfer and/ or Encumber any of the Equity Shares and other Securities held by them in the Company, without the prior written consent of the Investors.
13. The Company and the Promoters shall not grant any shareholder, existing or potential, any rights which are more favourable than those granted to the Investors. In the event rights are granted to any other investor/ Shareholder, such rights shall also automatically mutatis mutandis be extended to the Investors.
14. Investors shall have the right to transfer or assign any part or the whole of the Investors' Shares held by the Investors in the Company and assign rights and benefits available under the Share Subscription cum Share Purchase Agreement at anytime and to any Person/entity. In the event that Investors propose to transfer any of the Investor Shares, the Promoters and the Company shall provide all necessary co-operation and assistance to the Investors, including providing any potential purchaser with reasonable access to Company information as may be requested by the Investors and providing any assistance that may be required for obtaining Government approvals. The transfer of the Investor Shares shall be subject to the following:
 - (a) The Investors shall not be permitted to Transfer the Investor Shares or any Securities to a Competitor, without the prior written consent of the Promoters for the first 36 (thirty six) months from the Execution Date of the Share Subscription cum Share Purchase Agreement. However, such restriction shall not be applicable on expiry of 36 (thirty six) months from the Execution Date of the Share Subscription cum Share Purchase Agreement. It is clarified that the Investors can Transfer, without seeking Promoters' consent, any of the Investor Shares or Securities held by the Investors to any Person / entity etc. other than a Competitor even within the first 36 (thirty six) months from the Execution Date. It is further clarified that the Investors can Transfer, without seeking Promoters' consent, any of the Investor Shares or Securities held by the Investors to any Person / entity etc. (including a Competitor) after the expiry of the first 36 (thirty six) months from the Execution Date. However, in case of any Events of Default, the restriction on transfer to a Competitor in the first 36 (Thirty Six) months shall not be valid.
 - (b) Provided, further that, subsequent to the completion of Transfer of the Investor Shares, the rights available under the Share Subscription cum Share Purchase Agreement shall be exercised by such transferee who holds and continues to hold the maximum number of Investor Shares, on a fully diluted basis.

PROMOTERS ROFO ON INVESTORS TRANSFER

15. Subject to Article 14 above, in the event that the Investors wish to transfer, any Investor Shares or any part of the Investor Shares to any Person, then, subject to Article 17 below, the Investors shall grant to

the Promoters a one-time right of first offer (“**ROFO**”), with respect to the Investor Shares or such part of the Investor Shares, as detailed in Sub-Clauses (a) to (f) below:

- (a) The Investors shall first give a written notice (hereinafter referred to as the “**Investors Offer Notice**”) to the Promoters stating the number of Investor Shares proposed to be transferred (hereinafter referred to as the “**Investors Offered Shares**”) by the Investors.
 - (b) Within a period of 7 (seven) Days from the date of receipt of the Investors Offer Notice (“**Investors Offer Period**”), the Promoters shall have the option to serve a written notice on the Investors (“**Promoter Indication of Interest**”) indicating their irrevocable offer to purchase all of the Investors Offered Shares as well as the price (“**Promoter Offer Price**”) and terms at which it is offering to purchase the Investors Offered Shares.
 - (c) The Investors shall be entitled to respond to the Promoter Indication of Interest (“**Investors Response**”) within a period of 7 (seven) Days from the receipt of the Promoter Indication of Interest, in either of the following ways:
 - (i) by indicating its acceptance of the offer for transfer of the Investors Offered Shares at the Promoter Offer Price and terms (as mentioned in the Promoter Indication of Interest), in which case the Promoters shall forthwith pay the Promoter Offer Price specified in the Promoter Indication of Interest and the Promoters and the Investors shall proceed to complete the transfer of the Investors Offered Shares to the Promoters within a period of 7 (seven) Days from the date of receipt of the Investors Response; or
 - (ii) by indicating its refusal to transfer the Investors Offered Shares to the Promoters at the Promoter Offer Price and / or terms (as mentioned in the Promoter Indication of Interest), in which case the Investors shall be entitled to transfer any of the Investors Offered Shares to any Person / entity at any time and at any price;
 - (d) In the event that the Promoters do not deliver a Promoter Indication of Interest to the Investors within the Investors Offer Period, then, the Investors, at their sole discretion, shall be entitled to sell and transfer the Investors Offered Shares to any Person at any price and the Investor’s right to transfer the Investors Offered Shares to any third party at any price, shall not lapse at any time, subject to the provisions of Article 14.
 - (e) In the event that the Promoters fail to complete the sale pursuant to acceptance of the Promoter Offer Price by the Investors, within a period of thirty (30) days from the date of issue of Promoter Indication of Interest, then, the Investors shall, at their sole discretion, be entitled to sell and transfer the Investors Offered Shares to any Person at any price and at any time, subject to the provisions of Article 14.
 - (f) The transferee of the Investors Offered Shares shall be required to execute a Deed of Adherence, as specified in Schedule G of the Share Subscription cum Share Purchase Agreement to indicate the understanding laid down between the Promoters, the Investors and the Company in the Share Subscription cum Share Purchase Agreement.
16. The provisions of Article 14 shall apply only in the event of any proposed transfer of Investor Shares.

RESTRICTION ON PROMOTERS TRANSFERS

17. For so long as the Investors and/or the Investors’ Affiliates or assigns hold any Investor Shares in the Company, the Promoters hereby agree and undertake to ensure that the Promoters shall not, whether directly or indirectly, transfer any Equity Shares held by either of them to any Person without the express prior written consent of the Investors. In the event the Promoters propose to transfer the Equity Shares held by them to any Person with an express prior written consent of the Investors in the manner stipulated hereinabove, such transfer shall be undertaken by the Promoters:

- (a) after complying with the provisions of Article 18 to Article 21; and
- (b) after ensuring that the subsequent transferee execute a Deed of Adherence in the form approved by the Investors.

INVESTORS ROFR AND TAG-ALONG RIGHT ON THE PROMOTERS TRANSFERS

RIGHT OF FIRST REFUSAL (“ROFR”)

18. If, subsequent to prior written consent of Investors, any one or both of the Promoters (the “**Selling Promoter(s)**”) are proposing to transfer any Equity Shares or Securities held by them to any Person other than to the Investors or its Affiliates (“**Proposed Transfer**”), then the Selling Promoter(s) shall give a written notice (the “**Offer Notice**”) to the Investors with a copy to the Company. The Offer Notice shall state (i) the number and class of Equity Shares or Securities the Selling Promoter(s) they collectively own (on a fully diluted basis); (ii) the number and class of Equity Shares or Securities proposed to be transferred by the Selling Promoter(s) (the “**Promoter Sale Shares**”); (iii) the full proposed consideration, amount and form of consideration, for the Promoter Sale Shares, and the consideration for each Promoter Sale Share (“**Per Share Consideration**”); (iv) the manner and time of payment of the consideration; (v) the proposed date of consummation of the Proposed transfer, and the name and details (including ownership details) of the proposed transferee (“**Proposed Transferee**”); (vi) any other terms and conditions of the Proposed Transfer. Such Offer Notice shall be accompanied by true and complete copy of all agreements between the Selling Promoter(s) and the Proposed Transferee regarding the Proposed Transfer.
19. Upon receipt of an Offer Notice, the Investors shall have the right, but not the obligation, to purchase by itself or through an Affiliate any or all of the Promoter Sale Shares at a consideration for each Promoter Sale Share which is equivalent to the Per Share Consideration (“**Right of First Refusal**”) and on the same terms and conditions as the Proposed Transfer. The Right of First Refusal shall be exercised by the Investors or any Affiliate of the Investors within a period of 30 (thirty) Days of the receipt by the Investors of the Offer Notice (“**Offer Period**”), by intimating the Selling Promoter(s) by notice in writing of its decision to exercise the Right of First Refusal (“**ROFR Response**”). A copy of the ROFR Response shall also be sent to the Company.
20. In the event that a ROFR Response is issued by the Investors, the Selling Promoter(s), shall be obligated to sell and transfer the Promoter Sale Shares as are mentioned in the ROFR Response to the Investors or its Affiliate(s), on the same terms and conditions and for the same consideration as is specified in the Offer Notice, within a period of 30 (thirty) Days following the expiry of the receipt of the ROFR Response by the Selling Promoter(s) (subject to any reasonable extensions as may be necessary for the receipt of any Approvals, if required, for the completion of such sale and purchase) (“**Transfer Period**”). If ROFR response is not issued by the Investors, then Selling Promoters may sell the Promoter Sale Shares to the Proposed Transferee at a price and terms not more favourable than in the Offer Notice within a timeframe mutually agreed with the Investors.
21. If the Proposed Transfer is not completed within 30 (thirty) Days of the receipt of the ROFR Response by the Selling Promoter(s) or such extended time frame, as stated in Article 20 above, or within 30 (thirty) Days from the end of the Offer Period in case the ROFR Response is not issued by the Investors, the Proposed Transfer shall not be valid and then in such a case the Selling Promoter(s) shall be required to follow the ROFR provisions (Article 18 to Article 21) (including taking fresh prior written consent from the Investors for selling the Promoter Sale Shares as per Article 17) and also re-issue the Offer Notice in terms of Article 18, in case it is desirous of selling the Promoter Sale Shares.

TAG ALONG RIGHTS

22. In the event Investors are not desirous of purchasing the Promoter Sale Shares offered to them, in terms of Article 18 to Article 21, the Investors may by notice (“**Tag Along Response**”), at the sole discretion of the Investors, to the Selling Promoter(s), require the Selling Promoter(s) to sell:
 - a) Pro rata part of Investor Shares in the Company to such Proposed Transferee, if there is no change of Control of the Company as a result of the Proposed Transfer; or

- b) Upto the whole of Investor Shares, if such Proposed Transfer would result in change of Control of the Company,

along with the Promoter Sale Shares on terms and Per Share Consideration no less favourable than the terms and Per Share Consideration offered to the Selling Promoter(s).

23. Any transfer of Securities by the Selling Promoter(s) in violation of the Investors ROFR and tag-along right (i.e. Article 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27) shall be null and void. Neither the Board of Directors nor the Shareholders shall approve or ratify any Transfer of such Equity Shares or Securities made in contravention of the prohibition contained in the Share Subscription cum Share Purchase Agreement and the Company shall not record any such Transfer on the statutory registers of the Company maintained for the Equity Shares or Securities and if purported to be made, such Transfer shall be void and shall not be binding on the Company and shall be deemed to be a breach of the terms of the Share Subscription cum Share Purchase Agreement.
24. The Investors shall not be required to provide any representations and warranties for such sale of Investor Shares, except as required by the potential buyer, which shall be limited to ownership of such Investor Shares, Further, the Investors shall be entitled to receive proportionate share of any consideration in addition to the purchase price received by the Promoters for such Promoter Sale Shares and/or Investor Shares and the Investors shall be entitled to receive the cash equivalent of any non-cash component of the consideration received by the Promoters for such Promoter Sale Shares and/or Investor Shares.
25. If completion of the sale and Transfer of the Promoter Sale Shares (along with any sale of shares by the Investors in the Tag Along Response) to such Proposed Transferee does not take place within a period of thirty (30) Days following the delivery of the Tag Along Response, the provisions in these Articles relating to ROFR, Tag Along rights and restrictions on promoter transfers shall once again apply to the Promoter Sale Shares.
26. If the Investors do not deliver a ROFR Response or a Tag Along Response to the Selling Promoter(s) prior to the expiry of the Offer Period, the Selling Promoters shall be entitled to sell and Transfer the Promoter Sale Shares to the Proposed Transferee mentioned in the Offer Notice on the same terms and conditions and for the same Per Share Consideration as is specified in the Offer Notice, within a period of 30 (thirty) Days from the expiry of the Offer Period. Failing the completion of sale of Promoter Sale Shares within 30 (thirty) Days from the expiry of the Offer Period, the right of the Selling Promoter(s) to sell any Promoter Sale Shares shall lapse and the provisions relating to Article 18, 19, 20, 21, 22, 23, 24, 25, 26 and 27 (commencing from the requirement of delivery of a fresh Offer Notice and including ROFR, Tag) and those of Article 17 (including restriction on Promoter Transfers) shall once again apply to any Promoter Sale Shares.
27. Subsequent to the completion of transfer of the Investor Shares or other Securities, the rights available under the Share Subscription cum Share Purchase Agreement shall be exercised by such transferee who holds and continues to hold the majority of the Investor Shares

FURTHER ISSUE OF CAPITAL

28. The Investors shall be protected against any dilution of their shareholding in the Company, on a deemed conversion basis, for stock dividends, stock splits, free distribution or issuance of shares, rights offering, bonus shares, preferential allotment, subdivision, consolidation and reclassification of shares, etc.

The Investors and their Affiliates shall have the right to participate pro rata in any subsequent issue of Equity Shares/Securities which are in the nature of equity, preference or any other instrument which carries the right of conversion to equity or preference Share Capital, on the same terms on which they are proposed to be offered. Further, any rights Equity Shares / Securities issued to the Investors by the Company shall be at the same price or lesser price granted to others with respect to such rights Equity Shares / Securities issued by the Company.
29. In the event the Company subsequently raises equity or equity linked funding at an effective valuation that is lower than the Investors' effective value / price per Equity Share at which the Investor Shares are

being subscribed (adjusted for any issue of bonus shares, share spilt, etc) (hereinafter called a “**Down Round**”), the Investors shall be issued additional shares at lowest possible price to reduce the effective purchase price for all the Equity Shares held by the Investors to equal the price in the Down Round. If necessary, the Investors shall have the right to freely sell/transfer/assign the additional shares/instruments issued under this clause or the right to subscribe to the additional shares/instruments issued under this clause to associates and/or third parties of their choice without the need of any approval from the Company or any of its constituents or the Promoters, including other investors in the Company. It is clarified that the additional shares/instruments issued under this clause shall be governed by the same terms and conditions as the Investor Shares.

30. The Company shall not, and the Promoters shall ensure that the Company shall not, issue any Equity Shares or Securities, at any time after the Completion Date for the Investor Shares under the Share Subscription cum Share Purchase Agreement, without the prior written consent of the Investors.
31. The Investors shall not be deemed to be a “promoter” for the purposes of any initial public offering of the Equity Shares of the Company (including an IPO) or Offer for Sale or under the rules and regulations of SEBI and/or any stock exchanges (including Recognised Stock Exchanges) and/or any other purpose. Any Equity Shares that are subject to “lock-in” as “promoter shares” in any initial public offering of the Equity Shares of the Company (including an IPO) or an “Offer for Sale” will be the Equity Shares held by the Promoters and its Affiliates. The Company shall ensure that the Investors shall not be considered or represented by the Shareholders of the Company as a “promoter” for any purpose whatsoever and none of the Investor Shares shall be subject to any restriction of any nature (such as “lock-in” restrictions), which may, at any time apply to “promoter(s)” under applicable Law.

SHAREHOLDERS MEETING

32. Procedures relating to meetings of the shareholders shall be regulated by the Share Subscription cum Share Purchase Agreement and by the provisions of the Companies Act. Unless a shorter period of notice in respect of any particular Shareholders’ meeting is unanimously agreed to by all the Shareholders in writing, not less than 21 (twenty one) Days’ notice specifying the date, place and time, and business to be transacted thereat, including the Reserved Matters proposed to be discussed, shall be given to all the Shareholders. No business shall be transacted at any Shareholders’ meeting of the Company unless the requisite quorum of Shareholders as provided in Article 34 and 35 below is present throughout the meeting.
33. The Board may, whenever they think fit, call Extraordinary General Meetings subject to Section 169 of the Act.

QUORUM

34. The quorum for any meeting of the Shareholders shall be at least one authorized representative nominated by the Investors present throughout the meeting and such other number of Shareholders as is required to form a quorum under the Companies Act, unless the Investors have waived, in writing and prior to such meeting of the Shareholders, the presence of Investors nominee at such meeting of the Shareholders. Provided that no agenda item other than the ones mentioned specifically in the agenda circulated for such meeting of the Shareholders to the Investors shall be taken up for voting and no Reserved Matter shall be approved without prior written consent of the Investors. If within half an hour from the time appointed for the Shareholders’ meeting, the requisite quorum is not present, the meeting shall be adjourned to a mutually agreed time and place at least 7 (seven) Days later (“**Adjourned Meeting**”). Subject to provisions relating to Reserved Matters of the Share Subscription cum Share Purchase Agreement and these Articles, in the Adjourned Meeting, the Shareholders present shall constitute a valid quorum even though the authorized representative nominated by the Investors is not present.
35. If the Investors have agreed under Article 34 above, that the quorum for a Shareholder’s meeting shall not include the Investors authorized representative then no matter shall be tabled or resolved at that meeting unless such matter was specifically described in the agenda provided to the Investors prior to its agreement and, notwithstanding any provision in that agenda for the tabling of, discussion regarding or resolution of “other business”, “other matters with the permission of the Chairman” or similar, no such

other matters shall be tabled or resolved at that meeting; however, such matters may be discussed provided that no decision is taken with respect to such matters.

VOTING

36. Subject to the provisions relating to Article 34 and 35 above and Article 37 to 39 below, and subject to any additional requirements imposed by applicable Law, each resolution of the Shareholders shall be adopted by a simple majority vote of the Shareholders personally present (or represented by proxy or representative appointed pursuant to applicable law) and voting. No Reserved Matter shall be put to vote at a Shareholders' meeting if the Investors have voted against such Reserved Matter at a meeting of the Board, or if the Investors have issued a notice to the Promoters and the Company indicating its dissent to such Reserved Matter. Any decision in a Shareholder's meeting (including a Shareholder's meeting in the absence of an authorized representative of the Investors or an Adjourned Meeting) is subject to the provisions relating to Article 37 to Article 39 (Reserved Matters). Copies of all documents considered by the Shareholders at such meeting shall be promptly delivered to the Investors with a copy of the relevant minutes within seven (7) Days of such meeting.

RESERVED MATTERS

37. The Company shall, and each of the Shareholders / Board Members / Promoters shall, exercise or refrain from exercising all rights and powers available to it to procure that no resolution (whether of the Shareholders or the Board) or action constituting any of the Reserved Matters shall be passed or undertaken or occur with respect to the Company unless so approved in accordance with the provisions of Article 37 to Article 39. The Company shall, and each of the Shareholders shall, procure that resolutions passed in breach of Article 37 to Article 40 (i.e. on any Reserved Matter on which the Investors Nominee Director(s) or the Investors authorized representative has, pursuant to Article 38, not given their affirmative vote or approved in writing prior to the Board or Shareholders Meeting), shall not be effective. In the event that any such resolution is passed, the Promoters and Company shall/ covenant to undertake all such actions as may be required to render invalid such a resolution as soon as practicable. Any breach of Article 37 to Article 39, including the act of voting by the Promoters in breach of Article 37 to Article 39 shall be deemed to be a material breach of the Share Subscription cum Share Purchase Agreement by the Promoters.
38. In respect of the Company:
- (a) A Reserved Matter which requires Board approval (under the Articles or any constitutive documents and including in an adjourned meeting of the Board) shall not be approved by the Board unless it has first been approved by the Board which shall include the affirmative vote of at least one Investors Nominee Director or the Reserved Matter has been approved in writing by an authorized representative of the Investors prior to the Board meeting in which such Reserved Matter is sought to be approved.
 - (b) A Reserved Matter which requires Shareholder's approval (under applicable Law, the Articles or any constitutive documents and including in an Adjourned Meeting of the Shareholders) shall not be approved by the Shareholders / Company unless it has first been approved by the Shareholders which shall include the affirmative vote of an authorised representative of the Investors or the Reserved Matter has been approved in writing by an authorized representative of the Investors prior to the Shareholders meeting in which such Reserved Matter is sought to be approved. For the purposes of provisions of this Article 38 (b), in respect of a Reserved Matter proposed by the Promoters and in respect of which the relevant Investors has not given its affirmative vote or prior written approval, the Promoters shall vote in accordance with any decision of the Investors taken at the relevant meeting of the Shareholders of the Company.

Any Board resolution or Shareholders resolution passed by the Company in violation of Article 37, 38 and 39 shall be null and void.

39. For the purposes of these Articles, Reserved Matters shall require the prior express written approval from the Investors and shall mean any of the following:

- a) Causing or permitting the amendment of any provision of the Memorandum of Association and the Articles of Association of the Company;
- b) Conducting any action which would impact any rights and/or interests of the Investors as contained in the Share Subscription cum Share Purchase Agreement or any amendment thereof;
- c) Authorizing any change in the capital structure of the Company by the following means, inter alia:
 - i. Creating or authorizing the creation of or issuing any other security whether or not convertible into or exchangeable for any equity security;
 - ii. Raising (i.e. inviting, approving and/or allotting) any Share Capital or common stock or preferred equity or quasi equity or debt instruments or any security, whether convertible or not;
 - iii. Creating new or modifying existing ESOP plan;
 - iv. Splitting or reclassifying the Share Capital;
 - v. Redeeming or purchasing the Share Capital;
 - vi. Finalizing the terms and conditions of any public offer and/or listing their shares on any stock exchange;
 - vii. Finalizing the terms and conditions of any sale or merger or any such transaction initiated by the Promoters/Company;
 - viii. Any delisting of the Company.
- d) Approving any change to Business, Business Plan of the Company or iteration thereof or any amendment thereto of any nature whatsoever, especially any capital expenditure or investments, either directly or indirectly;
- e) Approving the annual budget of the Company or iteration thereof or any amendment thereto of any nature whatsoever, especially any capital expenditure or investments, either directly or indirectly;
- f) Finalizing the accounts and financial statements such as balance sheets, P&L and its schedules and notes of the Company, including any write-offs, inventory valuation methods, any change in accounting policies, etc.;
- g) Pricing strategy for domestic sales and exports (including discounts, if any);
- h) Procurement and purchase strategy (including price range) for fruits and other inputs;
- i) Any restrictions on prices for fruit purchases / inputs or quantities;
- j) Any contract farming arrangements or trading purchases;
- k) Managerial remuneration of Key Management Personnel, including executive Directors;
- l) Declaring or paying any dividend on any capital stock;
- m) Incurring of any indebtedness, whether direct or indirect, including but not limited to, loans, working capital limits, bonds, debentures, guarantees, etc. that would increase the Company's aggregate indebtedness to beyond INR 10 million (this is in addition to indebtedness already

approved and sanctioned in the current Business Plan) by way of a single transaction or a series of transactions;

- n) Encumbering any assets, except in the normal course of business;
- o) Entering into any derivative transactions of any nature whatsoever;
- p) Entering into related party transactions other than the existing arrangements. All existing arrangements, if necessary, are to be modified into arms-length transactions and disclosed to the Investors before finalization of the Share Subscription cum Share Purchase Agreement;
- q) Making any further / new loan or advance to, or acquire, or own any stock or other securities of any subsidiary or other corporation, partnership, or other entity;
- r) Making any further / new loan or advance to any person, including, any employee, Key Management Personnel or Director, except advances and similar expenditures in the ordinary course of business or under the terms of a employee stock or option plan approved by the Investors and disclosed to the Investors;
- s) Selling, encumbering, pledging or creating a lien on the shares of the Company owned by the Promoters, or do any other act which has the effect of undermining the underlying beneficiary/ fiduciary rights and responsibilities of the Promoters;
- t) Hiring or terminating or changing the compensation of the Key Management Personnel (to be identified by the Investors) including Managing Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), other CXOs, Vice-Presidents, heads of new businesses and any other employees as decided by the Investors or of any executive Directors on the Board of the Company;
- u) Changing the composition of the Board of Directors / committees of the Board;
- v) Changing the nature and/or scope of the principal business of the Company, enter new lines of business, or exit the current line of business by the following means, inter alia:
 - i. entering into an merger and acquisition transaction (either as a seller or as a buyer) or reorganisation;
 - ii. acquiring a new business;
 - iii. selling any assets other than in the ordinary course of business;
 - iv. splitting up existing business;
 - v. consolidating, dividing, merging, demerging or reorganizing the businesses and/or divisions of the Company;
 - vi. entering into any business other than, or any transaction outside of the normal business activities conducted by the Company;
 - vii. creating any additional subsidiaries;
 - viii. subsidiarisation and de-subsidiarisation of existing businesses;
 - ix. incorporation of joint ventures or Subsidiaries, whether they are structured as companies or partnerships or any other form, and any business to be conducted through the Company

- w) Authorizing or causing or permitting any liquidation, dissolution or winding-up of the Company or the entry into any other proceedings relating to insolvency, winding up or composition of compromise with creditors;
- x) Selling, transferring, licensing, pledging or encumbering technology or intellectual property, including but not limited to its brand, proprietary assets owned or used by it in its business other than in the ordinary course of business;
- y) Appointing, removing or changing the internal auditors, the concurrent or the statutory auditors or the internal audit process;
- z) Amendment or alteration of the accounting policies, including but not limited to revenue recognition and capitalization of expenses;
- aa) Approving any provisioning and/or write-offs with respect to receivables and/or bad debts and/or inventory (including raw materials, packing material, work in process and finished goods);
- bb) Listing of the Company on any stock exchange;
- cc) Owning any stock or other securities of, any subsidiary or other corporation, partnership, or other entity, unless otherwise disclosed and approved by the Investors, prior to the Execution Date;
- dd) Commencing or settling any material litigation, tax or duties related arbitration, orders, cases, demands, etc. or similar proceedings;
- ee) Waiving any employee or Director advances and/or interest on such advances;
- ff) Any delegation of any of the above matters;

BOARD

- 40. Until otherwise decided by the Company in General Meeting, the Company shall have not less than three (3) and not more than Twelve (12) Directors.
- 41. The Board currently has three (3) Directors and at all times the Investors shall have the right to appoint nominee/s of the Investors as Directors on the Board of Directors of the Company ("**Investors Nominee Director(s)**"). Investors shall, at all times, have the right to appoint such number of non-executive Directors proportionate to the shareholding percentages of Equity Shares held by the Investors in the Company, subject to a minimum of 1 (one) Investors Nominee Director who shall be a non-executive director. The Investors Nominee Director shall not be responsible for the day to day management of the Company. The Investors Nominee Director(s) shall not be liable to retire by rotation.

The Board shall be reconstituted immediately on the Investors exercising their right to nominate such Investors Nominee Director(s).

DIRECTORS

- 42. Any person, whether a Member of the Company or not may be appointed as a Director and no qualification by way of shareholding shall be required from any Director.
- 43. The first Directors of the Company shall be the following persons, who shall hold office till the annual general meeting of the company.

- 1. **MRS. KIRAN JAIN**
- 2. **MRS. SHUCHI JAIN**

3. MRS. MEGNA JAIN

4. MR. RAHOUL JAIN

44. At the first Annual General Meeting of the Company, all the Directors shall retire from office. At every subsequent Annual General Meeting of the Company, one third of the Directors for the time being or if their number is not three or multiple of three then the number nearest to one third shall retire from office.
45. The Directors to retire by rotation at every Annual General Meeting (other than the First Annual General Meeting) shall be those who have been longest in 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. The retiring Directors are eligible for re-election. However, the Investors Nominee Director(s) shall not be liable to retire by rotation
46. If any Annual General Meeting at which an election of Directors ought to take place, the place of any retiring director is not filled up, he shall if willing, continue in office the Annual General Meeting in the next year and so no from year to year until his place is filled up, unless it shall be determined at such meeting (on due notice) to reduce the number of Directors in office or unless at that meeting or at the subsequent meeting a resolution for the reappointment of such director has been put to the meeting and lost.
47. If the office of any director becomes vacant, before the expiry of the period of his directorship in normal course the resulting casual vacancy may be filled by the Board at a meeting of the Board. Any person so appointed shall hold the office only to the date upto which the Directors in whose place he is appointed would have office if the vacancy had not occurred as aforesaid.
48. Each Director shall be entitled to nominate, by written notice to the Company Secretary, a person who will be appointed by the Board to act as that Director's alternate at any meeting of the Board which that Director will not attend in person and the Board shall appoint such person as the relevant Director's alternate and further, the Board shall, on written notice from a Director to the Company Secretary, terminate the appointment of that Director's alternate and nominate a replacement and re-appoint an alternate in the event that the alternate appointment lapses under the provisions of applicable Laws;
49. Subject to section 284 of the Act, the company may be Ordinary Resolution remove any Director and may be Ordinary Resolution appoint another person instead. Provided, the procedure for removal of Investor Nominee Director shall be governed by provision of Article 53.
50.
 - (a) Subject to the provisions of Section 314 of the Act, if any Director shall be appointed to advise the Board as an expert or called upon to perform extra services or make special exertions for any of the purpose of the company, the Board may pay to such Director such special remuneration as they think fit, which remuneration may be in the form of either Salary, commission or lump-sum and they may either be in addition to or in substitution of the remuneration specified in the last proceeding article.
 - (b) A Director may be appointed to be in the whole-time employment of the company and may be paid remuneration for such employment either by way of a monthly payment or at specific percentage of the net profits of the Company or partly by one way and partly by the other, as the Board may decide.
51. The company from time to time in General Meeting increase or reduce the number of Directors but so that the number of Directors shall not exceeding the maximum fixed in Article 42 above.
52. The Board shall have power at any time and from time to time to appoint a person as an additional Director, but so that the number of Directors shall not exceed the maximum fixed in Article 42 above, such Additional Director shall retire from office at the following Annual General Meeting but shall be eligible for re-election by the company at the meeting as a Director.

NOMINEE DIRECTORS

53. The Investors shall have a right to recommend by written notice to the Company the removal of any of Investors Nominee Directors nominated by them (or their alternates, as the case may be) and the appointment of other persons in their place and to fill any vacancy in the office of the Investors Nominee Directors and the Board shall duly consider and give effect to such recommendation including authorization of any of the Directors of the Company to undertake necessary filings with the Registrar of Companies within the time period required under law. The Promoters shall not be entitled to object to the Investor's right to appoint/replace any of the Directors nominated by the Investors. Any replacement of the Directors by the Investors shall be undertaken within a period of 30 (thirty) Days from the date on which the vacancy occurs, it being understood that in case such replacement does not occur within the specified time frame, a decision pertaining to a Reserved Matter shall not be undertaken or approved by the Board unless the same has been resolved at a prior meeting of the Shareholders with the affirmative vote of an authorized representative of the Investors. Any decision in a board meeting (including a Board meeting in the absence of an Investor Nominee Director or an adjourned Board Meeting) is subject to Article 37 to 39 (Reserved Matters).
54. When permitted by applicable Law, if any Director requests, he may participate in any meeting of the Board by means of a telephone or video conference;
55. Each of the Shareholders and the Company shall exercise all rights and powers available to it, including the exercise of votes at Board meetings and general meetings of the Company, to procure that effect is given to any nominations made by the Investors under Articles 53 to 57;
56. The Investors Nominee Directors shall not be required to retire by rotation; and
57. The Investors shall have a right to appoint nominees to each committee of the Board including but not limited to audit committee, compensation committee etc. The copies of all Board minutes of the meeting shall be promptly delivered to the Investors within seven (7) Days of such meeting.

INDEPENDENT DIRECTOR

58. The Board shall appoint independent non-executive Directors ("**Independent Directors**") who shall have appropriate experience and qualifications to hold a position of this nature on the board of a company such as the Company. The Company shall, within such time as may be agreed between the Investors and Promoters, induct such number of Independent Directors to its Board, so that no less than 33% of the Board composition shall consist of Independent Directors.

ALTERNATE INVESTORS DIRECTORS

59. The Investors shall be entitled to nominate alternate directors as contemplated in Section 313 of the Act for each director nominated by the Investors ("**Alternate Investors Director**"). An Alternate Investors Director may attend all meetings and exercise all voting rights which the originally elected Investors Nominee Director, was entitled to, when such originally appointed Investors Nominee Director is not in attendance.
60. The Board shall, on written notice from a Director to the Company Secretary, terminate the appointment of that Alternate Investors Director and nominate a replacement and re-appoint an alternate in the event that the Alternate Investors Director's appointment lapses under the provisions of applicable Laws

DIRECTOR ON COMMITTEES

61. The Promoters and the Investors shall exercise all rights and powers available to it to procure that the Investors shall have the right, but not the obligation, to nominate for appointment of such number of persons (minimum one person) proportionate to the shareholding in the Company on all committees (including but not limited to audit committee, compensation committee etc.) of the Company.

CHAIRMAN

62. *a. The Directors present at the Board meeting shall appoint a Chairman for such Board meeting. The Chairman of such Board meeting shall not have a casting vote in the event of an equality of votes at Board meetings or shareholder meetings of the Company.
- b. The Board of Director shall appoint the Chairman of the Company. The same individual may, at the same time, be appointed as the Chairman as well as the Managing Director of the Company.

APPOINTMENT OF AN OBSERVER

63. The Investors shall be entitled to appoint any 1 (one) Person as an observer (the “**Observer**”) to attend any and all meetings of the Board and of all committees of the Company. The Observer shall have the right to attend the Board meetings in the presence and absence of the Investors Nominee Directors, but shall not have any right to vote in such Board meetings.

NATURE OF INVESTORS NOMINEE DIRECTORSHIP

64. The Investors Nominee Director(s) shall be non-executive Director(s) and shall not be liable for any failure by the Company to comply with applicable Laws. The Company shall nominate Directors or persons other than the Investors Nominee Director as “persons in charge” as contemplated under applicable Laws and shall ensure that the Investors Nominee Director is not included within the scope of “officer who is in default” under applicable Laws and the Company shall at all times appoint a compliance officer or a designated officer(s) of the Company who shall be the officer in default for the purposes of applicable Law. The Company and the Promoters, jointly and/or severally, indemnify and hold harmless the Investors Nominee Directors, their Affiliate and employees of the Investors from any liability, proceedings (criminal and/or civil) against the Company and/or its Directors. In the event that any notice or proceedings have been filed against the Investors Nominee Director by reason of him/ them being included within the scope of “officer(s) who is in default”, the Company and the Promoters shall take all necessary steps to ensure that name of the Investors Nominee Director is / are excluded / deleted and the charges / proceedings against the Investors Nominee Director is withdrawn and shall also take all steps to defend the Investors Nominee Director against such proceedings and shall pay all costs, damages, fines, levies etc. that may be levied against the Investors Nominee Director
65. The Investors Nominee Directors (or their alternates) shall not be required to hold any qualification shares in the Company.

BOARD MEETINGS

66. Board meetings and committee meetings of the Company shall be held at least once in every 3 (three) months and at least 4 (four) times every calendar year in compliance with the provisions of the Companies Act;
67. At least 21 (twenty one) Days' written notice shall be given:
- (a) in writing; or
- (b) by fax, e-mail or other approved electronic communication, such receipt to be confirmed in writing as soon as is reasonably practicable,
- to each Director and the Observer of each Board and committee meeting setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors;
68. Subject to Article 78, unless otherwise agreed by the Investors in advance:
- (a) in writing; or

* Amended vide special resolution passed by the shareholders at the EGM held on 09.12.2017.

- (b) e-mail or other electronic communication, such agreement to be confirmed in writing as soon as is reasonably practicable,

and after the Investors having been provided with the agenda for the relevant meeting, without prejudice to the Investor's rights with respect to Reserved Matters, the quorum for any Board meeting shall comprise mandatorily 1 (one) Investors Nominee Director and such number of Directors as are necessary to form quorum under the Companies Act, unless the Investors have waived, in writing and prior to such meeting of the Board, the presence of Investors Nominee Director at such meeting of the Board. Provided that no agenda item other than the ones mentioned specifically in the agenda circulated for such meeting of the Board to the Investors shall be taken up for voting and no Reserved Matter shall be approved without prior written consent of the Investors.

69. If the Investors have agreed under Article 68 above that the quorum for a Board meeting shall not include the Investors Nominee Director then no matter shall be tabled or resolved at that meeting unless such matter was specifically described in the agenda provided to the Investors prior to its agreement under Article 68 above and, notwithstanding any provision in that agenda for the tabling of, discussion regarding or resolution of "other business", "other matters with the permission of the Chairman" or similar, no such other matters shall be tabled or resolved at that meeting; however, such matters may be discussed provided that no decision is taken with respect to such matters; and
70. If the Investors have agreed under Article 68 above that the quorum shall not include the Investors Nominee Director; no Reserved Matter shall be discussed or voted upon at such Board meeting, unless such Reserved Matter has been approved by the Investors in writing prior to the Board meeting. Further, copies of all documents considered by the Board at such meeting shall be promptly delivered to the Investors and the Investors Nominee Director with copies of the relevant minutes within seven (7) Days of such meeting.
71. Each Director may cast one (1) vote;
72. Subject to provisions relating to Reserved Matters and any applicable provisions of the Companies Act, decisions of the Board shall be made on the basis of a majority vote;
73. When permitted under applicable laws, any Director may participate in and vote at a Board meeting by means of a telephone, video conferencing or similar communications equipment which allows all persons participating in the meeting to hear each other and to record the deliberations. Where any Director participates in a Board meeting by any of the means described in the preceding sentence, the Company shall ensure that Director is provided with a copy of all documents to be referred to during such Board meeting at least 21 (twenty one) days before the Board meeting commences;
74. Subject to provisions relating to Reserved Matters, a circular resolution in writing, executed by or on behalf of a majority of the Directors, shall constitute a valid decision of the Board provided that a draft of such resolution was sent to all of the Directors at their usual address together with a copy of all supporting papers; provided that where a circular resolution relates to the Reserved Matters, no such circular resolution shall be effective unless at least 1 (one) Investors Nominee Director signs the resolutions by circulation in favour of such resolution relating to the Reserved Matter or unless such circular resolution has been approved in writing by an authorized representative of the Investors prior to the date of such circular resolution. For the purposes provisions relating to Reserved Matters, a decision to be taken by the Board of the Company or its Subsidiary may be taken by way of a circular written resolution of the respective Board in lieu of a physical Board meeting, such resolution to include the affirmative vote of the Investors.
75. The Chairman of a meeting of the Board shall cause the Company Secretary to prepare minutes of each Board meeting and circulate them to each Board member within 7 (seven) Days after the meeting. Members of the Board shall make any comments on the minutes of the meeting within 7 (seven) Days of receipt of the minutes. The minutes shall be signed at the commencement of the next Board meeting;
76. Directors are not entitled to be paid for acting as Directors, other than as prescribed by the Companies Act or as agreed to between a particular Director and the Company in writing;

77.

- a) Subject to the relevant provisions of the Companies Act, the Company shall reimburse the Investors Nominee Director(s) and Investors' authorized representatives all out of pocket expenses (including all business class air fares, hotel expenses, travel expenses etc.) incurred in order to attend Shareholder, Board, committee and other meetings of the Company or otherwise perform his/her duties and functions as a Director, or member of any committee of the Board.
- b) The Company shall reimburse the Investors and the Investors' employees/ authorized representatives all out of pocket expenses (including all business class air fares, travel, hotel expenses, etc.) incurred by them in connection with the Business of the Company.

78.

If no quorum is present by the appointed time for any Board meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place and shall constitute a valid quorum, subject to conditions as specified herein being fulfilled. However, no Reserved Matter shall be discussed or voted upon at such adjourned Board meeting, unless such Reserved Matter has been approved by the Investors in writing prior to the Board meeting.

- (a) written notice of the adjournment is given to each Director at his usual address for service of notices of Board meetings not less than 5 (five) Business Days before the date of the adjourned meeting; and
- (b) No agenda items which were not specifically set out on the agenda for the meeting, which was adjourned, may be considered at the adjourned meeting.

79.

No Reserved Matter shall be passed at the adjourned Board meeting or any Adjourned Shareholders' meeting unless the Investors Nominee Director(s), approve the Reserved Matter by voting at such adjourned Board meeting or Adjourned Shareholders' meeting or Investors' nominee or an authorized representative of the Investors approves the Reserved Matter prior to the adjourned Board meeting or the Adjourned Meeting of the Shareholders in writing.

SEAL OF THE COMPANY

80.

- (A) The Board shall provide a seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the seal for the time being.
- (B) The seal shall not be affixed to any instrument except by authority of the Board or Committee and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the company, be signed by one Director. At least in whose presence the seal shall have been affixed provided nevertheless that any instrument bearing the seal of the company and issued for valuable consideration shall be binding on the company and notwithstanding any irregularity in affixture thereof.

INDEMNITY AND RESPONSIBILITY

81.

Subject to the provisions of Section 201 of the Act, every Director, Manager or Officer of the Company shall be indemnified by the Company against all costs, losses and expenses which any such person may incur or become liable to by reason of any contract. Entered into or act deed done by him as such Director, Manager Officer or in any way n the discharge or duties including travelling shall be immediately attached as a lien on the property on the Company and have priority as between the members over all other claims.

82.

Without prejudice to the generality of the foregoing, it is hereby expressly declared that any filling fee payable any document required to be filled with the Registrar of the Companies in respect of any act done or required to be done by any Director or other Officer, by reason of his holding the said office shall be paid and borne by the Company.

83. No director or other Officer of the company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt of other act for conformity expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Board for or on behalf of the Company, or for the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities of effects may be entrusted or deposited, for any loss occasioned by any error of judgement or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duly details office or in relation thereto unless the same happens through his own dishonesty.

EXIT BY INVESTORS

84. The Company and the Promoters shall ensure that the Company shall provide an exit to the Investors in either of the following ways during or before the **“Exit Timeframe”** (a timeframe wherein the Company and Promoters shall undertake to provide an exit to the Investors between 36 months and 42 months from the Completion Date for Subscription Shares as per the Share Subscription cum Share Purchase Agreement. Such Exit Timeframe may be extended at the sole option of the Investors):
- (a) through a listing of the Equity Shares of the Company on a Recognised Stock Exchange in accordance with Article 85 to Article 89 and Article 90;
 - (b) through a Strategic Sale of the Equity Shares of the Company to a third party in accordance with Article 91 ;

The Exit Timeframe may be extended at the sole discretion of the Investors.

The Company shall, and the Promoters shall ensure that the Company shall provide an exit to the Investors in the manner as specified in the Share Subscription cum Share Purchase Agreement. All expenses/costs/charges with respect to the exit of the Investors shall be borne solely by the Company.

QUALIFIED INITIAL PUBLIC OFFER (“QIPO”)

85. The Company and the Promoters shall facilitate the listing of the Equity Shares of the Company on a Recognized Stock Exchange through a qualified initial public offering (**“QIPO”**) at a price which provides to the Investors, a minimum target return as contemplated in Article 95 and Article 96 below (Liquidity Preference) on the **“Investment Amount”** (Investment Amount as defined in the Share Subscription cum Share Purchase Agreement). It is clarified that the terms and price per share for the QIPO shall be finalized with the prior express written consent of the Investors. Upon listing of the Equity Shares of the Company on any Recognized Stock Exchange, the rights of the Investors’ under the Share Subscription cum Share Purchase Agreement shall not terminate unless those not permitted by SEBI and/or any Laws.
86. The key term of such QIPO (such as size of the issue, floor price per share, the merchant bankers, valuation, timing, mode, stock exchange, split between Offer for Sale and fresh issue of Equity Shares, number of Investor Shares to be offered, etc.) shall be finalized with the prior express written consent of the Investors. The cost of the QIPO and Offer for Sale of the Investor Shares or other Securities held by the Investors (if offered by the Investors in the QIPO) shall be borne entirely by the Company. The determination of primary and secondary offerings, appointment of merchant bankers shall be done with the prior written consent of the Investors.

Notwithstanding anything contained in the Share Subscription cum Share Purchase Agreement:

- (a) It is hereby agreed and understood that for the purposes of a QIPO, the Company shall appoint one or more merchant bankers with prior written approval of the Investors.
- (b) For the purpose of any such QIPO, the Investor Shares shall not be subjected to a lock-in or other restriction on Transfer as applicable to promoter’s contribution under any applicable Law, the guidelines of SEBI or of any other statutory or regulatory authority as applicable from time to time. If any Equity Shares are to be made subject to any lock-in in connection with a QIPO, then the Promoters shall offer their Equity Shares towards such lock-in. In the event of any

shortfall, then the Company shall, subject to the Investors' prior written consent, issue such additional Equity Shares as are required to meet such minimum lock-in preconditions.

- (c) In a QIPO, the prior written consent of the Investors shall be necessary prior to the taking any decision (including a decision on whether to file or launch the QIPO) on whether the offering is either (i) by way of a fresh issue of shares; or (ii) whether it is a combination of a fresh issue of shares and Offer for Sale by the Shareholders.
- (d) Upon listing of the Equity Shares of the Company on any Recognized Stock Exchange, the rights of the Investors' under the Share Subscription cum Share Purchase Agreement shall not terminate unless those not permitted by SEBI and/or any laws.

INVESTORS RIGHT TO OFFER SHARES

87. Without prejudice to anything contained in the Share Subscription cum Share Purchase Agreement, the Investors shall be entitled (without being obliged to do so), to offer up to all of the Investor Shares in such public offering of the Company. The Promoters undertake to offer such number of Equity Shares in the Offer for Sale as may be required to complete listing.

APPROVALS AND COSTS OF QIPO

- 88.
- (a) The Company shall, and the Promoters shall procure that the Company shall, without any recourse to the Investors and at the cost of the Company:
 - (i) Obtain all the relevant Approvals, statutory or otherwise that are necessary for the QIPO and
 - (ii) Complete the process of the QIPO (as the case may be) as required under the Share Subscription cum Share Purchase Agreement.
89. Promoters shall exercise their respective voting rights (as members or nominators of members of the Board and as Shareholders), and to cause the Board to take all steps necessary for the Company to expeditiously prepare for and consummate a QIPO, including but not limited to:
- i) preparing and signing the relevant offer documents;
 - ii) entering into appropriate and necessary agreements;
 - iii) providing all necessary information and documents necessary to prepare the offer documents; and
 - iv) obtaining any necessary regulatory or other Approvals

LIQUIDITY IPO

90. In the event the Company and the Promoters are unable to do a QIPO within or before the Exit Timeframe, the Investors shall, without prejudice to any other rights available to them, have a right to conduct the initial public offering of the Equity Shares of the Company by Offer for Sale ("**Liquidity IPO**"). The key terms of such Liquidity IPO (such as size of the issue, floor price per share, the merchant bankers, valuation, timing, mode, stock exchange, number of Investor Shares to be offered, etc.) shall be finalized with the prior express written consent of the Investors. The cost of the Liquidity IPO shall be borne entirely by the Company. The Investors can exercise their option for a Liquidity IPO by sale of up to such number of Investor Shares at the sole option of the Investors. The Promoters undertake to offer such number of Equity Shares in the Offer for Sale as may be required to complete listing. Upon listing of the Equity Shares of the Company on any Recognized Stock Exchange, the rights of the Investors' under the Share Subscription cum Share Purchase Agreement shall not terminate unless those not permitted by SEBI and/or any laws. The Promoters agree to do all acts and deeds necessary under the

then prevailing applicable Laws, including but not limited to inter alia, lock-in of the Equity Shares of the Promoters, recasting of the Company's fiscal year end, capitalization or booking of expenses to effect the Liquidity IPO. Further, the Promoters undertake to exercise their respective voting rights (as members or nominators of members of the Board and as Shareholders), and to cause the Board to take all steps necessary for the Company to expeditiously prepare for and consummate a Liquidity IPO, including but not limited to:

- i) preparing and signing the relevant offer documents;
- ii) entering into appropriate and necessary agreements;
- iii) providing all necessary information and documents necessary to prepare the offer documents; and
- iv) obtaining any necessary regulatory or other Approvals.

STRATEGIC SALE

91. In the event the Investors are not provided an exit acceptable to them in the manner as specified in Article 85 to Article 90 above within or before the Exit Timeframe, the Company and the Promoters shall facilitate a strategic sale of the Investor Shares ("**Strategic Sale**"), to any Person ("**Strategic Purchaser**") subject to prior written approval by Investors (including price, terms, bankers etc.) on the following terms and conditions:

- a) the Investors shall have a right, at their sole discretion, to Transfer all or any portion of the Investor Shares held by them to the Strategic Purchaser, it being understood that the Promoters shall be obliged to sell such number of the Equity Shares in the Strategic Sale, as are required in order to meet the shareholding requirement of the Strategic Purchaser.
- b) the Transfer of the Equity Shares to the Strategic Purchaser shall be conditional upon (a) the Investors not being required to provide any representations and warranties for such Transfer, except those relating to title to the Investor Shares; and (b) the Investors being entitled to receive the cash equivalent of any non-cash component of the consideration received by the Promoters.
- c) Unless otherwise agreed, if a Strategic Sale is concluded, then the Promoters shall, if required, agree to continue to be employed with the Company, at compensation arrangements not less favourable than the then prevailing terms, for a period of at least 6 months (or such time period acceptable to the Promoters and Strategic Purchaser) from the date of the Strategic Sale and execute a non-compete agreement if so desired by the Strategic Purchaser.
- d) Notwithstanding anything to the contrary, the Investors shall be free to invoke the provisions of this Clause at any time in case of an Event of Default or as per the terms of Clause 24 (Events of Default) or otherwise as per the Share Subscription cum Share Purchase Agreement.
- e) The Promoters and the Company undertake to take all necessary actions as may be required for implementation of the right(s) exercised by the Investors under this Clause. The Promoters and the Company also undertake to take all necessary actions to complete the Strategic Sale as per this Article.

INSPECTION AND INFORMATION RIGHTS OF INVESTORS

92. The Company shall, provide to the Investors or their representatives or consultants (including lawyers, accountants, auditors, valuation consultants, other professional advisors, current & potential investors of the Investors or their affiliates, etc.), with the following:

- a) within 10 (ten) Days after the end of each month, monthly management review detailing key operational performance indicators, including amongst others; production, sales, costs, profit and loss statement, significant cash inflows/outflows and the balance sheet items including inventory and receivable details and ageing in a format acceptable to the Investors;

- b) within 10 (ten) Days after the end of each month, an management information system (“MIS”) in the format as approved or as modified by the Investors.
 - c) within 45 (forty five) Days after the end of each quarter, unaudited statements of income and cash flows of the Company for such quarter and for the period from the beginning of the current fiscal year to the end of such quarter, and a balance sheet as of the end of such quarter;
 - d) within 90 (ninety) Days after the end of each fiscal year, audited statements of income, cash flows and shareholders’ equity of the Company for such year and a balance sheet as of the end of such year and accompanied by the report of the Leading Accounting Firm;
 - e) at least 45 (forty five) Days prior to the end of each fiscal year, a budget for the next year including operating and capital budgets and such other reasonable information requested by the Investors;
 - f) Unaudited monthly financial statements reports detailing key operational performance indicators within a period of 10 (ten) Days after the end of each month.
 - g) daily procurement and production MIS during the procurement and production season for each fruit/input in a format acceptable to the Investors;
 - h) physical verification of inventory at the end of each season for each fruit/product and reconciliation with the inventory on books in a format acceptable to the Investors;
 - i) Board, committee, and shareholder meeting minutes within 7 (seven) Days after such events;
 - j) Details of significant events impacting the Company including but not limited to any litigation; and
 - k) All other relevant information including but not limited to Business Plans, capital expenditure budgets and management reporting information (including details thereof).
93. The Company shall provide, and the Promoters and the Company shall procure that the Company provides, to the Investors and its authorized representatives or consultants (including lawyers, accountants, auditors, valuation consultants, other professional advisors, current & potential investors of the Investors or their affiliates, etc.):
- (i) access to inspect all Business Plan, properties, assets, documents and information, financial or otherwise, including but not limited to books of accounts and other business records such as contracts, reports, etc., of the Company; and
 - (ii) access to executive directors, Key Management Personnel, accountants, legal counsel and investment bankers of the Company, as the case may be, in order to discuss, or consult on business affairs, action plans, budgets, finances and accounts of the Company, after providing a reasonable notice.

TAX/REGULATORY INFORMATION

94. The Company shall make available to the Investors or their representatives or consultants (including auditors, valuation consultants, etc.) upon request the books and records of the Company, and to provide any other information reasonably required by the Investors for the completion of any returns, documents and applications relating to Tax, the meeting of Tax obligations, performance of Tax analysis and other tax-related purposes of the Investors or regulatory filings or submissions or any information of a similar nature provided to any statutory or regulatory authority to be made by the Investors in respect of their investment in the Company or for the purpose of valuation or other reporting to the investors / potential investors of the Investors or their affiliates.

LIQUIDITY PREFERENCE

95. Upon the occurrence of a Liquidity Event (as defined below) Investors shall be entitled, before any distribution is made upon any Share Capital of the Company or otherwise to the Promoters/Company, to receive a preferential payment from the assets of the Company/Promoters of cash or property or sale proceeds, whether such proceeds are paid out to the Company and/or Promoters.
96. Upon the occurrence of a Liquidity Event (as defined below), the Investors shall receive an amount higher of:
 - a) An amount that provides the Investors with a return (IRR) of 20%, compounded annually, on their aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company).
 - b) An amount that provides the Investors with a return equal to 2.0 times the aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company);
 - c) Such amounts that would be distributed to the Investors proportionate to their shareholding in the Company.

LIQUIDITY EVENT

97. The term “Liquidity Event” shall mean any of the following:
 - (a) an amalgamation or other business combination transaction in which the Company is the transferor company and the consideration is received in cash, stock or any other form or a combination thereof; or
 - (b) sale of shares or equivalent securities of the Company, including Strategic Sale; or
 - (c) a sale or transfer, by any method, of all or substantially all of the assets of the Company or any of the business divisions/undertaking of the Company; or
 - (d) a liquidation, dissolution or winding-up of the Company including, a compulsory liquidation; or
 - (e) any re-organization of capital of the Company which results in a transfer of Control to a third party; or
 - (f) any IPO, including a Qualified IPO or an IPO or a Liquidity IPO.

PROMOTERS AND COMPANY EVENTS OF DEFAULT UNDER THE SUBSCRIPTION CUM SHARE PURCHASE AGREEMENT

98. Each of the following shall be events of default (“**Events of Default**”) on the part of the Promoters and/or the Company under the Share Subscription cum Share Purchase Agreement:

If the Promoters or the Company commit any of the following (including but not limited to):

- a. Material non-compliance or breach or default of any nature whatsoever by the Company and/or the Promoters, as the case may be, of any of their respective obligations, undertakings, covenants or any other terms under the Share Subscription cum Share Purchase Agreement or material breach of their respective representations and warranties. Any Non-compliance, breach or default as outlined hereinabove shall not include events arising solely as a result of force majeure events like war or earthquake; or
- b. Breach of any Laws, regulatory requirements, agreements with statutory bodies, etc.; or

- c. any act of commission or omission by the Company and/or the Promoters, as the case may be, (including the affairs of the Company being conducted in a fraudulent manner or criminal proceedings being initiated against the Company and/or the Promoters, as the case may be) which has a Material Adverse Effect (in the judgment of the Investors) in the business, condition (financial or otherwise), operations, performance, properties or prospects of the Promoters / Company; or
 - d. Occurrence of any of the events as set out in (a), (b) and (c) above which results in a Material Adverse Effect (in the judgment of the Investors) in the Business condition (financial or otherwise), operations, performance, properties or prospects of the Promoters and/or the Company.
99. The materiality of non-compliance, breach or default etc. under the Share Subscription cum Share Purchase Agreement shall be discussed by the Investors Nominee Director and Rahoul Jain. In the event of disagreement, they will consult a mutually acceptable person of good standing and such person will decide whether such non-compliance, breach or default etc. under the Share Subscription cum Share Purchase Agreement is material or not, within a period of seven (7) days from the date of disagreement.
100. Inability of the Company and/or Promoters to provide an exit to the Investors within the Exit Timeframe shall not be treated as an Events of Default under the Share Subscription cum Share Purchase Agreement.
101. The Investors shall issue a written notice (“**Default Notice**”) on the Company or the Promoters specifying the Event of Default. The Default Notice shall require that such Event of Default be remedied within a period of 60 (sixty) days (“**Remedy Period**”) from the Delivery of the Default Notice in case such Event of Default is capable of remedy. In the case of an Event of Default under Clause Article 98 (d) above, the rights of the Investors under Article 102 (Consequences of Events of Default) shall become immediately enforceable.

CONSEQUENCES OF EVENTS OF DEFAULT

102. Without prejudice to other rights of the Investors as provided under the Share Subscription cum Share Purchase Agreement or as may be available to the Investors or in equity or at law, in the case of any Events of Default by the Company and/or the Promoters, as provided in Article 98 or in the Share Subscription cum Share Purchase Agreement or on the occurrence of any Liquidity Event as specified in Article 97, the Investors shall be entitled to exercise any one or more of the following rights:
- (i) Force the Company and/or Promoters, subject to applicable laws and regulations, to purchase/buyback/redeem or any combination thereof the Investor Shares or other securities at a valuation higher of:
 - (a) A price that provides the Investors with a return (IRR) of 30%, compounded annually, on their aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company)
 - (b) A price that provides the Investors with a return equal to 3.0 times the aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company)
 - (c) The fair market value of the Investor Shares or securities as determined by a Leading Accounting Firm (“**Leading Accounting Firm**” as defined in the Share Subscription cum Share Purchase Agreement);

The Promoters / Company shall be obligated to complete the purchase/buyback/redemption or any combination thereof as mentioned in this clause within a period of 60 (sixty) days from the Delivery of the Default Notice by the Investors in case such Event of Default is not capable of remedy. The Promoters / Company shall be obligated to complete the purchase/buyback/redemption or any combination thereof as mentioned in this clause within a period of 30 (thirty) days from the date of the expiry of the Remedy Period in case such Event

of Default is capable of remedy but has not been remedied to the satisfaction of the Investors within the Remedy Period.

The Company and the Promoters agree to do all acts and deeds necessary to complete the purchase/buyback/redemption or any combination thereof including, without limitation, issue of further Equity Shares/Securities to the Promoters and/or making the necessary filings with the Governmental Authorities.

The Company / Promoters shall appoint a Leading Accounting Firm within seven (7) days of Delivery of the Default Notice, if such Event of Default is not capable of being remedied, or within seven (7) days of the expiry of the Remedy Period, if the Event of Default is capable of being remedied but has not been remedied within the Remedy Period to the satisfaction of the Investors. In the event that the Promoters/Company do not appoint a Leading Accounting Firm within the applicable timeframe of seven (7) days as mentioned herein, the Investors shall appoint a Leading Accounting Firm at the cost of the Company, at their sole discretion. The appointment of the Leading Accounting Firm and valuation methodology applied by such Leading Accounting Firm shall be acceptable to each of the Promoters and the Company.

- (ii) Initiate a Strategic Sale as per Article 91.
- (iii) All obligations and restrictions of the Investors under the Share Subscription cum Share Purchase Agreement shall cease on the occurrence of an Event of Default.

The Promoters and the Company undertake to take all necessary actions as may be required for implementation of the right(s) exercised by the Investors under this Clause.

CONSEQUENCES OF EXIT NOT BEING PROVIDED

103. In the event that the Company and/or Promoters do not cooperate with the Investors in providing the Investors with an exit as provided under Article 84 to 91 and Article 95 to 102 within the Exit Timeframe as stipulated herein above, then the Investors shall be entitled to exercise any one or more of the following rights:

- (i) Force the Company and/or Promoters, subject to applicable laws and regulations, to purchase/buyback/redeem or any combination thereof the Investor Shares or other securities at a valuation higher of:
 - (a) A price that provides the Investors with a return (IRR) of 25%, compounded annually, on their aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company)
 - (b) A price that provides the Investors with a return equal to 2.5 times the aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company)
 - (c) The fair market value of the Investor Shares or securities as determined by a Leading Accounting Firm;

The Promoters/Company shall be obligated to complete the purchase/buyback/redemption or any combination thereof as mentioned in this clause within a period of 60 (sixty) days from the expiry of the Exit Timeframe.

The Company and the Promoters agree to do all acts and deeds necessary to complete the purchase/buyback/redemption or any combination thereof including, without limitation, issue of further Equity Shares/Securities to the Promoters and/or making the necessary filings with the Governmental Authorities.

The Company / Promoters shall appoint a Leading Accounting Firm within seven (7) days of the expiry of the Exit Timeframe. In the event that the Promoters/Company do not appoint a

Leading Accounting Firm within the applicable timeframe of seven (7) days as mentioned herein, the Investors shall appoint a Leading Accounting Firm at the cost of the Company, at their sole discretion. The appointment of the Leading Accounting Firm and valuation methodology applied by such Leading Accounting Firm shall be acceptable to each of the Promoters and the Company.

- (ii) Initiate a Strategic Sale as per Article 91.
- (iii) All obligations and restrictions of the Investors under the Share Subscription cum Share Purchase Agreement shall cease after the expiry of the Exit Timeframe.

104. In the event that the Company and/or Promoters cooperate with the Investors but the Investors are not able to sell Investor Shares within the Exit Timeframe, the Investors shall be entitled to exercise any one or more of the following rights:

- (i) Force the Company and/or Promoters, subject to applicable laws and regulations, to purchase/buyback/redeem or any combination thereof the Investor Shares or other securities at a valuation higher of:
 - (a) A price that provides the Investors with a return (IRR) of 20%, compounded annually, on their aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company)
 - (b) A price that provides the Investors with a return equal to 2.0 times the aggregate Investment Amount (and shall include such further investments made by Investors and/or its Affiliates in the Company)
 - (c) The fair market value of the Investor Shares or securities as determined by a Leading Accounting Firm;

The Promoters / Company shall be obligated to complete the purchase/buyback/redemption or any combination thereof as mentioned in this clause within a period of 60 (sixty) days from the expiry of the Exit Timeframe.

The Company and the Promoters agree to do all acts and deeds necessary to complete the purchase/buyback/redemption or any combination thereof including, without limitation, issue of further Equity Shares/Securities to the Promoters and/or making the necessary filings with the Governmental Authorities.

The Company / Promoters shall appoint a Leading Accounting Firm within seven (7) days of the expiry of the Exit Timeframe. In the event that the Promoters/Company do not appoint a Leading Accounting Firm within the applicable timeframe of seven (7) days as mentioned herein, the Investors shall appoint a Leading Accounting Firm at the cost of the Company, at their sole discretion. The appointment of the Leading Accounting Firm and valuation methodology applied by such Leading Accounting Firm shall be acceptable to each of the Promoters and the Company.

- (ii) Initiate a Strategic Sale as per Article 91
- (iii) All obligations and restrictions of the Investors under the Share Subscription cum Share Purchase Agreement shall cease after the expiry of the Exit Timeframe.

POWER TO MORTGAGE / CHARGE ON PROPERTIES

105. The Board of Directors of the Company shall be vested with power to create mortgage / charge on all the movable and immovable properties / assets of the Company and for providing security for the loans / borrowings from Banks, Financial Institutions or other agencies availed or to be availed by the Company, its subsidiaries, associate concerns or any other entities and to sign and execute the documents relating thereto.”

TERMINATION PROVISIONS

106. Article 98 to 103 shall survive the termination of the Share Subscription cum Share Purchase Agreement.

ACCOUNTING

107. The Company shall appoint an auditing firm as internal auditors of the Company and a Leading Accounting Firm as the statutory auditors of the Company, acceptable to the Investors (i.e. for the audit for the Financial Year ending on 31 March 2013)
108. The Investors shall have the right to conduct any kind of special audit of the Company at any time at the sole discretion of the Investors but with prior written notice of 7 (seven) days to the Company and the Company shall extend its cooperation with the Investors in carrying out such special audit of the Company and the costs pertaining to the special audit shall be borne by the Company.

MODIFICATION

109. If constitutional documents , i.e. the Memorandum of Association and Articles of Association of the Company conflict at any time with the provisions of the Share Subscription cum Share Purchase Agreement, they shall, subject to applicable Law and as soon as practicable after the Investors have given a notice to the Company and the Promoters in this regard, do all necessary acts, deeds, matters or things to amend the relevant constitutional documents to the extent necessary to bring in conformity with the provisions of the Share Subscription cum Share Purchase Agreement.

SECRECY CLAUSE

110. Subject to the provisions of the Act, member shall be entitled to inspect the company's books without the permission of the Board or to require discovery of or any information respecting any detail of the Company's trading of any matter which is or may be in the nature of a trade secret, mystery of trade or secret process, which may relate to the conduct of business of the company and which in the opinion of the Board, is not expedient, in the interest of the Members or the Company to be communicated to the public.
111. Every Director, Manager, Secretary, Trustee, Member of the Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Board before entering upon his duties at any time during his term of Office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of duties except when required to do so by the Board or by a court of Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions contained in these articles.
112. The person whose names and addresses are hereunder subscribed are desirous of being formed into a company in pursuance to this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following copies of the contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected at our Registered and Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Material Contracts to the Offer

1. Offer Agreement dated February 5, 2018 entered into by and among our Company, the Selling Shareholders, the BRLMs.
2. Registrar Agreement dated February 5, 2018, entered into by and among our Company, the Selling Shareholders and the Registrar to the Offer.
3. Escrow Agreement dated [●] entered into by and among our Company, the Selling Shareholders, the BRLMs, Escrow Collection Bank(s), Refund Bank(s), Public Offer Bank(s) and the Registrar to the Offer.
4. Share Escrow Agreement dated [●] entered into by and among the Selling Shareholders, our Company, BRLMs and a Share Escrow Agent.
5. Syndicate Agreement dated [●] entered into by and among the Syndicate Members, our Company, the Selling Shareholders and the Registrar to the Offer.
6. Underwriting Agreement dated [●] entered into by and among our Company, the Selling Shareholders, the BRLMs and Syndicate Members.
7. Tripartite Agreement dated December 22, 2017 entered into by and among our Company, NSDL and the Registrar to the Offer.
8. Tripartite Agreement dated December 20, 2017 entered into by and among our Company, CDSL and the Registrar to the Offer.
9. Monitoring Agency Agreement dated [●] entered into by and between our Company and the Monitoring Agency.

Other Material Contracts in relation to our Company

1. Subscription, Share Purchase and Shareholders Agreement dated March 18, 2013 and subsequently amended on April 6, 2013, entered into by and among our Company, Rahoul Jain, Shuchi Jain, Milestone Private Equity Fund (Scheme: India Build Out Fund I) and Milestone Army Trust, as amended by waiver letter dated January 19, 2018.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association as amended until date.
2. Certificate of incorporation dated October 8, 1998 upon incorporation.
3. Certificate of commencement of business dated August 16, 1999.
4. Board resolution and shareholders' special resolution of our Company, dated October 19, 2017 and October 23, 2017, respectively, authorizing the Offer and other related matters.
5. Board resolution dated February 4, 2018 and IPO Committee resolution dated February 6, 2018, approving the Draft Red Herring Prospectus.
6. Consent letters dated February 2, 2018 of the Selling Shareholders authorizing their respective portions of the Offer for Sale.
7. Copies of annual reports for the five fiscals i.e., 2017, 2016, 2015, 2014 and 2013.
8. The examination reports of the Statutory Auditors, R. Subramanian and Company LLP, dated February 2, 2018 on our Company's Restated Financial Information included in this Draft Red Herring Prospectus.
9. Consent of the Auditors, dated February 2, 2018, giving consent to name R. Subramanian and Company LLP, as referred to, in their capacity as expert and for inclusion of their statement of tax benefits and examination reports on our restated financial information in the form and context in which it appears in this Draft Red Herring Prospectus.
10. Consents of the chartered engineers each dated February 2, 2018 giving consent to name Er. Yogesh R.

- Chandak and Key Vee Builders, in their respective capacities as experts and for inclusion of extracts of their Installed Capacity Certificate and Storage Capacity Certificate respectively.
11. Consents of Bankers to our Company, the BRLMs, Registrar to the Offer, the lenders to our Company, the legal counsel, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to act, in their respective capacities.
 12. Report titled 'Market Opportunity Analysis for Fruit and Vegetable based ingredients in India' dated November 20, 2017 prepared by Frost and Sullivan (India) Private Limited and its consent dated December 11, 2017 for use of such report or any extract thereof.
 13. The Statement of Tax Benefits dated February 2, 2018 from the Auditors, R. Subramanian and Company LLP, Chartered Accountants
 14. In-principle listing approvals dated [●] and [●] from BSE and NSE, respectively.
 15. Due diligence certificate to SEBI from the BRLMs, dated February 6, 2018.
 16. Final SEBI observation letter (Ref. No. [●]) dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by SEBI, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

(Rahoul Jain)
(Chairman and Managing Director)

(Shuchi Jain)
(Whole Time Director)

(Rajesh Singhal)
(Nominee Director)

(Virendra Singh Jain)
(Independent Director)

(Penna Mohamed Basheer Ahamed)
(Independent Director)

(Prasanna Kasturi)
(Independent Director)

(S. Ramesh Narayanan)
(Chief Financial Officer)

Date: February 6, 2018
Place: Chennai

DECLARATION

The undersigned Promoter Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by him in this Draft Red Herring Prospectus, in relation to himself and the Equity Shares being offered by him in the Offer for Sale are true and correct, provided however, the undersigned Promoter Selling Shareholder assumes no responsibility for any other statements made by our Company or any other expert or any other person(s) in this Draft Red Herring Prospectus.

Name: Rahoul Jain
Date: February 6, 2018
Place: Chennai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by her in this Draft Red Herring Prospectus, in relation to herself and the Equity Shares being offered by her in the Offer for Sale are true and correct, provided however, the undersigned Selling Shareholder assumes no responsibility for any other statements made by our Company or any other expert or any other person(s) in this Draft Red Herring Prospectus.

Name: Shuchi Jain
Date: February 6, 2018
Place: Chennai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by it in this Draft Red Herring Prospectus, in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct, provided however, the undersigned Selling Shareholder assumes no responsibility for any other statements made by our Company or any other expert or any other person(s) in this Draft Red Herring Prospectus.

For Milestone Private Equity Fund (Scheme: India Build Out Fund I)

(Authorised Signatory)

Date: February 6, 2018

Place: Mumbai

DECLARATION

The undersigned Selling Shareholder hereby certifies that all statements, disclosures and undertakings made by it in this Draft Red Herring Prospectus, in relation to itself and the Equity Shares being offered by it in the Offer for Sale are true and correct, provided however, the undersigned Selling Shareholder assumes no responsibility for any other statements made by our Company or any other expert or any other person(s) in this Draft Red Herring Prospectus.

For Milestone Army Trust

(Authorised Signatory)

Date: February 6, 2018

Place: Mumbai