

DRAFT RED HERRING PROSPECTUS

Dated: September 30, 2019

Please read Section 32 of the Companies Act, 2013

(The Draft Red Herring Prospectus will be updated

upon registering with the RoC)

100% Book Built Offer**NILSHIKHAA PROJECTS LIMITED**

Our Company was originally incorporated as "Nilshikha Infraa" a partnership firm formed and registered under the provisions of the Partnership Act, 1932 (Reg. No. – 03/27/03/00065/14) on September 27, 2013. Subsequently, the partnership firm was converted into Public Limited Company and the name was changed to "Nilshikha Infra India Limited" on August 30, 2016 under the provisions of Companies Act, 2013 vide certificate of incorporation issued by the Central Registration Centre on behalf of Registrar of Companies, Gwalior, Madhya Pradesh. Further, pursuant to special resolution passed by the shareholders of our Company at the Extra-ordinary General Meeting held on August 17, 2019, the name of the Company was changed to "Nilshikha Projects Limited" under the provisions of Companies Act, 2013 and a fresh certificate of incorporation dated September 12, 2019 was issued by the Registrar of Companies, Gwalior, Madhya Pradesh. The CIN of the Company is U74999MP2016PLC041388.

Registered Office: R- 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh – 452010.

Tel. No.: +91 7314077760; E-mail: info@niindia.in; Website: www.niindia.in

Contact Person: Aarti Thakur, Company Secretary and Compliance officer

PROMOTERS OF OUR COMPANY: GURU PRASANNA SAHOO, ARVIND KUMAR TRIPATHI, JAGDISH KUMAR AND SHIVANANDA

THE OFFER

INITIAL PUBLIC OFFER UP TO 75,00,000* EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF NILSHIKHAA PROJECTS LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] LAKHS (THE "OFFER") CONSISTING OF A FRESH ISSUE OF 39,96,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 35,04,000 EQUITY SHARES INCLUDING UP TO 8,00,000 EQUITY SHARES BY GURU PRASANNA SAHOO; UP TO 8,00,000 EQUITY SHARES BY ARVIND KUMAR TRIPATHI; UP TO 8,00,000 EQUITY SHARES BY JAGDISH KUMAR; UP TO 8,00,000 EQUITY SHARES BY SHIVANANDA AND UP TO 3,04,000 EQUITY SHARES BY NIHARIKA SAHOO (REFERRED TO AS THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [●] LAKHS ("OFFER FOR SALE"). AND TOGETHER WITH THE FRESH ISSUE ("THE OFFER"), THE OFFER COMPRISSES OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING ₹ [●] LAKHS WHICH WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, AGGREGATING ₹ [●] IS HEREINAFTER REFERRED TO AS THE "NET OFFER", THE OFFER AND THE NET OFFER WILL CONSTITUTE [●] % AND [●] %, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND SELLING SHAREHOLDERS AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER AND THE REGIONAL NEWSPAPER [●], (HINDI BEING THE LOCAL LANGUAGE OF MADHYA PRADESH, WHERE OUR REGISTERED OFFICE IS SITUATED), EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED REFERRED TO AS THE "STOCK EXCHANGE" FOR THE PURPOSE OF UPLOADING ON ITS WEBSITE.

IN CASE OF ANY REVISIONS IN THE PRICE BAND OR FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, THE ISSUER MAY, FOR REASONS TO BE RECORDED IN WRITING, MAY EXTEND THE BID / OFFER PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID / OFFER PERIOD, WILL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PRESS RELEASE, AND ALSO BY INDICATING THE CHANGE ON THE WEBSITE OF THE BRLMS AND THE TERMINALS OF THE SYNDICATE MEMBER(S).

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Offer is being made for at least 25% of the post- offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process, in compliance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") and allocation in the net offer to the public will be made in terms of regulation 253 of the SEBI (ICDR) Regulations, as amended. All Bidders, shall only participate in the offer through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective bank account (including UPI ID for RIIs using UPI Mechanism) (UPI ID, RIIs and UPI Mechanism are defined hereinafter) wherein the Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Offer Procedure" on page 229 of this Draft Red Herring Prospectus.

RISK IN RELATION TO FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Offer Price (determined and justified by our Company in consultation with the BRLMs and Selling Shareholders as stated in " Basis for Offer Price " on page 92 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed on EMERGE Platform of National Stock Exchange of India Limited. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the 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 issued 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section " Risk Factors " beginning on page 28 of this Draft Red Herring Prospectus.

COMPANY'S AND THE SELLING SHAREHOLDER'S 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 this Offer, which is material in the context of this 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 of the Selling Shareholder, severally and jointly, accept responsibility only for the statements made expressly by such Selling Shareholder in this Draft Red Herring Prospectus as Selling Shareholders in connection with the Offer for Sale and the Equity Shares offered by such Selling Shareholder in the Offer for Sale and that statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received an In-principle approval letter dated [●] from National Stock Exchange of India Limited. for using its name in the Offer document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Offer, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

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



MARWADI SHARES AND FINANCE LIMITED
Marwadi Financial Plaza, Nana Mava Main Road, Off. 150 feet Ring Road, Rajkot - 360001, Gujarat.
Tel: 079 2644 7311; **Fax:** N.A
Website: www.marwadionline.com
Email: shivam.patel@marwadigroup.in
Investor Grievance Id: merchantbanking@marwadionline.in
Contact Person: Shivam Patel
SEBI Registration No: INM000012235

REGISTRAR TO THE OFFER

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

OFFER PROGRAMME

BID / OFFER OPENS ON : [●]

BID / OFFER CLOSES ON : [●]

*Number of shares may need to be adjusted for lot size upon determination of Offer Price.

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

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

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

Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Statements” and “Main Provisions of Articles of Association” on pages 95, 182 and 249, respectively, shall have the meaning ascribed to such terms in such sections.

GENERAL TERMS

Terms	Description
“Nilshikhaa Projects Limited” “NPL”, “the Company”, “our Company”, “The Issuer Company” and “the issuer” and	Nilshikhaa Projects Limited, a company incorporated in India under the Companies Act, 2013 having its Registered office at R- 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh – 452010. India.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Offer

COMPANY AND SELLING SHAREHOLDERS RELATED TERMS

Terms	Description
AOA / Articles / Articles of Association	Articles of Association of our Company, as amended from time to time.
Auditors/ Statutory Auditors	The Auditors of our Company being M/s. Nitin K. Shah & Co. Chartered Accountants, Ahmedabad holding a valid peer review certificate dated May 18, 2017.
Audit Committee	The Committee of the Board of Directors re-constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 <i>vide</i> Board resolution dated September 16, 2019. For details, please refer to the section titled “Our Management” on page 153 of this DRHP.
Bankers to the Company	Such banks which are disclosed as bankers to the Company in the chapter titled “General Information” on page 57 of this DRHP.
Board of Directors /the Board / our Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
CIN	Corporate Identification Number being U74999MP2016PLC041388.
Chairman/ Chairperson	The Chairman/ Chairperson of Board of Directors of our Company being Mr. Arvind Kumar Tripathi.
Chief financial Officer	The Chief financial Officer of our Company being Amit Kumar Gautam.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Aarti Thakur.
CSR Committee	The committee of Board of Directors constituted as the Company’s Corporate Social Responsibility Committee in accordance with

Terms	Description
	Section 135 of the Companies Act, 2013 vide Board Resolution dated August 06, 2019.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of the Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Executive Directors	Executive Director is the Managing Director and Whole-time Director of our Company.
Group Entities	Such entities as are included in the chapter titled ' <i>Our Group Entities</i> ' beginning on page 175 of this Draft Red Herring Prospectus
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A non-executive & independent Director as per the Companies Act, 2013 and the Listing Regulations, as disclosed in the chapter titled " <i>Our Management</i> " on page 153 of this DRHP.
ISIN	International Securities Identification Number. In this case being INE0AP001010.
IT Act	The Income Tax Act, 1961 as amended till date
Key Management Personnel/ KMP	Key managerial personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and as identified in chapter titled " <i>Our Management</i> " on page 153 of this DRHP
Materiality Policy	The policy adopted by our Board on September 16, 2019 for identification of group entities 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.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company's Nomination & Remuneration Committee in accordance with Section 178(1) of the Companies Act, 2013 vide Board resolution dated September 16, 2019. For details, please refer to the chapter titled " <i>Our Management</i> " on page 153 of this DRHP.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Order Book	Total contract value of all Existing Contracts of the Company as of such date, minus any revenue already recognized by the Company of such Existing Contracts up to and including such dates. Our Company's Order Book is not audited and does not necessarily indicate our future earnings.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company,

Terms	Description
	partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	Promoters of our Company i.e. Guru Prasanna Sahoo, Jagdish Kumar, Arvind Kumar Tripathi and Shivananda.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as enlisted in the section titled “Our Promoters and Promoters Group” beginning on page 170 of this DRHP.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	The registered office of our Company situated at R- 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh - 452010 India
Reserve Bank of India / RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Statement	The restated financial statements of our Company for the Financial Year ended March 31, 2019, 2018 and 2017 which comprises the restated summary statement of assets & liabilities, the restated statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto and included in “Financial Statements” on page 182 of this Draft Red Herring Prospectus.
ROC/Registrar of Companies	Registrar of Companies, situated at 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior, Madhya Pradesh.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations / Listing Regulations / SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Selling shareholders	Selling shareholders of our company being Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar, Shivananda and Niharika Sahoo.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited. [NSE EMERGE Platform]
Stakeholders Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 vide Board resolution dated September 16, 2019. For details, please refer to the section titled “Our Management” on page 153 of this Draft Red Herring Prospectus
Willful Defaulter(s)	Willful defaulter as defined under Regulation 2(III) of the SEBI ICDR Regulations.

OFFER RELATED TERMS

Terms	Description
Acknowledgement Slip	The acknowledgement slip or document issued by the Designated Intermediary to a bidder as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Offer of Equity Shares to the successful Bidders
Allotment/Allot/Allotted	Offer and allotment of Equity Shares of our Company pursuant to the Offer of the Equity Shares to successful Bidders.
Allotment Advice	Note or advice or intimation of Allotment sent to the each successful bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee (s)	A successful bidders to whom the Equity Shares are allotted
Application Supported by Blocked Amount / ASBA	An application for subscribing to the Offer, along with an authorization to self-certified syndicate bank to block the application money in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB and specified in the Bid cum Application Forms which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Bidders.
ASBA Application Location (s)/Specified Cities	Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat
ASBA Bidders	Any Bidder except Anchor Investor
Bankers to the Company	[●]
Bankers to the Offer / Public Offer Bank / Refund Banker	Banks which are clearing members and registered with SEBI as Bankers to an Offer and with whom the Public Offer Account and Refund Account will be opened, in this case being [●].
Banker to the Offer Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, Selling Shareholders, the Registrar and the Banker of the Offer/ Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful bidders under the Offer and which is described in the chapter titled “Offer Procedure” beginning on page 229 of this DRHP.
Bid	An indication to make an Offer during the Bid/Offer Period by a Bidder pursuant to submission of the Bid cum Application Forms, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Draft Red Herring Prospectus and Bid cum Application Form.
Bid/ Offer Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.

Terms	Description
Bid/ Offer Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Offer Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	The period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided that the Bidding/Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders
Bidder/ Investor / ASBA Bidder /Bidders	Any Prospective Investor who makes an Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid Form and unless otherwise stated or implied, includes an ASBA Bidders
Bid Amount	The number of Equity Shares applied for and as indicated in the Bid Cum Application Form multiplied by the price per Equity Share payable by the Bidders on submission of the Bid Cum Application Form.
Bid Cum Application Form	The form, whether physical or electronic, used by a Bidder to make an application, which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
Book Running Lead Managers / BRLMs	Book Running Lead Managers to the Offer, in this case being Marwadi Shares and Finance Limited and Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Bankers.
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Bidder indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 issued by SEBI
Collecting Registrar and Share Transfer Agent	Registrar to an Offer and share transfer agents registered with SEBI and eligible to procure Bids / Application at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collection Centers	Centers at which the Designated intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for broker center for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Book Running Lead Manager, the Registrar to the Offer and the Stock Exchange and

Terms	Description
	a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	Offer Price, which shall be any price within the Price Band finalised by our Company and the Selling Shareholders in consultation with the BRLMs. only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the bidders such as their Address, PAN, name of the bidders father/husband, investor status, and Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the ASBA Bidders to the Public Offer Account and/or Refund Account and /or are unblocked, as applicable, in terms of this DRHP.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Forms from the Bidders and a list of which is available on the website of SEBI at http://www.sebi.gov.in/ or at such other website as may be prescribed by SEBI from time to time.
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 website of the Stock Exchange i.e. www.nseindia.com
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com
Designated Intermediaries/Collecting Agent	The SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an Offer and share transfer agent (RTA) (whose names are mentioned on website of the stock exchange as eligible for this activity)
Designated Market Maker	Marwadi Shares and Finance Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
DP	Depository Participant
DP ID	Depository Participants Identity number.
DRHP	Draft Red Herring Prospectus dated September 30, 2019 issued in accordance with Section 32 of the Companies Act, 2013.
Eligible NRI	A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation

Terms	Description
	to whom this DRHP will constitute an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs.10.00 each
Eligible QFIs	QFIs 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 Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depositary participants.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Bidders	The Bidders whose name appears first in the Bid cum Application Forms or Revision Form.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 notified by the SEBI.
IPO	Initial Public Offering
Listing Agreement	Unless the context specifies otherwise, this means the Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Mandate Request	Mandate request means a request initiated on the RII by Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
Market Making Agreement	The Market Making Agreement dated September 25, 2019 between our Company, Selling shareholders, Book Running Lead Managers and Market Maker
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of Rs.10/- each at an Offer price of Rs. [●]/- each aggregating to Rs. [●] Lakhs to be subscribed by Market Maker in this Offer.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of [●] equity Shares of Rs.10/-each at a price of Rs. [●]/-per Equity Share

Terms	Description
	(the “Offer Price”), including a share premium of Rs. [●]/-per equity share.
Non-Institutional Investors	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than Rs.2,00,000/-
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
NSE	National Stock Exchange of India Limited.
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Offer Agreement	The Agreement dated September 25, 2019 between our Company, selling shareholders and BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Closing Date	The date after which the Designated Intermediaries will not accept any Application for this Offer, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Offer Opening Date	The date on which the Designated Intermediaries shall start accepting Application for this Offer, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●].
Offer Period	The period between the Offer Opening Date and the Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Applications, including any revisions thereof.
Offer Price	The price at which Equity Shares will be issued by the Company in terms of this DRHP i.e. Rs. [●]/-per share.
Offer Size / Offer Proceeds	The Public Offer of 75,00,000 Equity Shares of Face Value of Rs. 10/- each for Cash at a Price of Rs. [●]/- Per Equity Share (Including a Share Premium of Rs. [●]/-per Equity Share) aggregating to Rs. [●] Lakhs.
Overseas Corporate Body/OCB	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Offer.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. the Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Selling Shareholders in consultation with the BRLMs and will be advertised at least two Working Days prior to the Bid/Offer Opening Date, in all edition of the English national newspaper [●], all edition of the Hindi

Terms	Description
	national newspaper [●] and [●] edition of the Regional newspaper [●], each with wide circulation.
Pricing date	The date on which our Company and the Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price.
Prospectus	The Prospectus will be filed with RoC after Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Offer Price, the size of the Offer and certain other information
Public Offer Account	Account opened with the Bankers to the Offer to receive monies from the SCSBs from the bank account of the ASBA Bidders, on the Designated Date.
Qualified Institutional Buyers/ QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs.25.00 Crore; a pension fund with minimum corpus of Rs.25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registrar/ Registrar to the Offer/ RTA	Registrar to the Offer being Link Intime India Pvt. Ltd.
Registrar Agreement	The agreement dated September 25, 2019, entered into between our Company, 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.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs. 2,00,000.
Registered Broker	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate / Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on www.nseindia.com
Restated Financial Information	Restated financial statements of our Company, which comprises the restated statement of assets and liabilities as at March 31, 2019, 2018 and 2017 and restated statement of profit and loss and cash flows for the fiscal ended March 31, 2019, 2018 and 2017, together with the annexures and notes thereto prepared in terms of the requirements of the Companies Act, 2013, as amended read with SEBI ICDR Regulations as amended from time to time.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares in any of their Bid cum Application Forms or any previous Revision Form(s).
Reservation Portion	The portion of the Offer reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009

Terms	Description
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, [●].
Share Escrow Agreement	Agreement to be entered into among the Selling Shareholders, our Company and a share escrow agent in connection with the transfer of the Offered Shares by the Selling Shareholders in the Offer for Sale and credit of such Offered Shares to the demat account of the Allottees in accordance with Basis of Allotment.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014.
SEBI SAST / SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Self Certified Syndicate Bank(s) / SCSB(s)	Banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and Issue services of ASBA, including blocking of bank account, a list of which is available http://www.sebi.gov.in/
Specified securities	The equity shares Offered through this DRHP
Sponsor Bank	Sponsor Bank means a Banker to the Offer registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being [●].
Syndicate Agreement	The agreement dated [●] entered into amongst our Company, the Selling shareholders, the BRLMs and the Syndicate Members, in relation to the collection of Bids in this Offer
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●].
Syndicate or Members of the Syndicate	The BRLMs and the Syndicate Members
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the Application
Underwriters	The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. In this case being [●].
Underwriting Agreement	The Agreement dated [●] entered between the Underwriter, our Company and selling shareholders.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI PIN	Password to authenticate UPI transaction.

Terms	Description
UPI Mechanism	The bidding mechanism that may be used by investor to make an application in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Day	<p>In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this DRHP are open for business</p> <p>However, in respect of announcement of price band and Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in this DRHP are open for business</p> <p>In respect to the time period between the Offer closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI.</p>

TECHNICAL AND INDUSTRY RELATED TERMS

Terms	Description
ABC	Aerial Bunched Cables
AAC	Alloy Aluminium Conductor
ACSR	Aluminium Conductor Steel Reinforced
AAAC	All Alloy Aluminium Conductor
AT & C	Aggregate Technical & Commercial
CAD	Current Account Deficit
CP	Continuous Polymerisation
CPI	Consumer Prices Index
DISCOM	Distribution Companies
DDUGJY	Deendayal Upadhyaya Gram Jyoti Yojana
EHV	Extra High Voltage
EMDE	Emerging Market and Developing Economies
EPC	Engineering Procurement and Construction
FDI	Foreign Direct Investment
GW	Gigawatt
GVA	Gross Value Added
GDP	Gross Domestic Product
IIP	Index of Industrial Production
ISO	International Standards Organization
IPDS	Integrated Power Development Scheme
LOA	Letter of Award
LT	Low Tension
M-SIPS	Modified Special Incentive Package Scheme
NBFC	Non-Banking Financial Companies
NEER	Nominal Effective Exchange Rate
MPPKVVCL	Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited
MSETCL	Maharashtra State Electricity Transmission Company Limited
PMI	Purchasing Managers' Index
PMP	Phased Manufacturing Programme
PVC	Polyvinyl Chloride
RGGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana
REER	Real Effective Exchange Rate
SEB	State Electricity Boards
SEIS	Exports from India Scheme

Terms	Description
T&D	Transmission and Distribution
UDAY	Ujwal DISCOM Assurance Yojana
SAUBHAGYA	Pradhan Mantri Sahaj Bijli Har Ghar Yojana
WPI	Wholesale Price Index
XLPE	Crossed Linked polyethylene

CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Terms	Description
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
B. A	Bachelor of Arts
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Tech	Bachelor of Technology
BG/LC	Bank Guarantee / Letter of Credit
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CCI	The Competition Commission of India
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CFO	Chief Financial Officer
CGST	Central GST
CWA/ICWA	Cost and Works Accountant
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant

Terms	Description
DP ID	Depository Participant Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee State Insurance Corporation
EPFA	Employees Provident Funds and miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
FCNR Account	Foreign Currency Non Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	“Foreign Portfolio Investor” means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992.
FV	Face Value
GAAP	Generally Accepted Accounting Principles
GoI/Government	Government of India
GDP	Gross Domestic Product
GJ	Gujarat
GST	Goods and Service Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IGST	Integrated GST
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
KMP	Key Managerial Personnel
Ltd.	Limited

Terms	Description
MAT	Minimum Alternate Tax
MFSL	Marwadi Shares and Finance Limited
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
M. B. A	Master of Business Administration
M. Com	Master of Commerce
MD	Managing Director
M.P.	Madhya Pradesh
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
NA	Not Applicable
Networth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non Resident Indians
NRE Account	Non Resident External Account
NRO Account	Non Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PCAPL	Pantomath Capital Advisors Private Limited
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIB	Qualified Institutional Buyer

Terms	Description
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
u/s	Under Section
US/United States	United States of America
UPI	Unified Payments Interface
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
WTD	Whole time Director
YoY	Year over Year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 249 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 182 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 95 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 184 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

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

In this DRHP, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Nilshikhaa Projects Limited” and “NPL”, unless the context otherwise indicates or implies, refers to Nilshikhaa Projects Limited. In this DRHP, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Financial Data

Unless stated otherwise, the financial data included in this DRHP are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements’ beginning on page 182 of this DRHP. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in the DRHP unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “Financial Statements” beginning on page 182 of this DRHP.

For additional definitions used in this DRHP, see the section Definitions and Abbreviations on page 03 of this DRHP. In the section titled “Main Provisions of Articles of Association”, on page 249 of the DRHP defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

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

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

There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled "Basis for Offer Price" on page 92 of the DRHP includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation And Exchange Rates

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

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Conditions and Results of Operation" on page 28, 115 & 184 in the DRHP, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with SEBI ICDR Regulations.

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

FORWARD LOOKING STATEMENT

This DRHP includes certain “forward-looking statements”. We have included statements in the DRHP which contain words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Also, statements which describe our strategies, objectives, plans or goals are also forward looking statements.

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

- Disruption in our manufacturing facilities.
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate;
- Disruption in supply of Raw Materials.
- Increased in prices of Raw Material and Power.
- Occurrence of Environmental Problems &Uninsured Losses.
- Increased competition in industries/sector in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Our failure to keep pace with rapid changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries,
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties; and
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.
- The availability of finance on favorable terms for our business and for our customers;
- Competition;
- Significant developments in India’s economic and fiscal policies;
- Our ability to attract and retain consumers and job workers;
- Our ability to meet our capital expenditure requirements;

- Shortage of, and price increases in, materials and skilled and unskilled labour, and inflation in key supply market;
- Failure to comply with environmental, labour, health and safety laws and regulations may affect our business;
- Our ability to obtain the necessary licenses in timely manner.
- Other factors beyond our control

For further discussion of factors that could cause our actual results to differ, see the Section titled “Risk Factors”; “Our Business” & and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 28, 115 and 184 respectively of the DRHP. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Neither our Company, our Directors, our Officers, Book Running Lead Managers and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Book Running Lead Managers will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Offer.

SECTION II – OFFER DOCUMENT SUMMARY

OVERVIEW OF INDUSTRY

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required. In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power.

For further details please see the chapter titled "Industry Overview" beginning on page 98 of this DRHP.

OVERVIEW OF BUSINESS

We are in the business of Engineering, Procurement and Construction ("EPC") contracting focused on power sector. We undertake turnkey projects of government and private institutions under the various Central and state government electrification schemes. Our EPC business primarily operates in the sector of Transmission and Distribution (T&D) under the power infrastructure space. We have recently started manufacturing of conductors and cables that are majorly utilized in laying of power transmission and distribution lines.

Our Company has undertaken various contracts for Transmission and Distribution from government enterprises such as Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVVCL), Maharashtra State Electricity Transmission Company Limited (MSETCL) and NTPC Limited under Government funded schemes. Our Company also undertakes projects from private enterprises on sub-contract basis.

For, further details regarding risk involved in Business of the Company and risk in relation to the Offer, refer to chapter titled "Risk Factor" and "Our Business" beginning on page 28 and 115 of this DRHP.

DETAILS OF THE OFFER

Initial public Offer of upto 75,00,000 equity shares of face value of Rs. 10 each ("equity shares") of Nilshikhaa Projects Limited ("Company" or "Issuer") for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●]/- per equity share) aggregating to Rs. [●] Lakhs (the "The offer") comprising of Fresh Offer of upto 39,96,000 equity shares aggregating to Rs. [●] lakhs by the Company ("Fresh Offer") and an offer for sale of upto 35,04,000 equity shares by the selling shareholders aggregating to Rs. [●] lakhs ("offer for sale"). Of which [●] equity shares of face value Rs. 10/- each at a price of Rs. [●] per equity share aggregating to Rs. [●] Lakhs will be reserved for subscription by the Market Maker to the Offer (the "Market Maker Reservation Portion"). The Offer less Market Maker Reservation Portion i.e. Net offer of [●] Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. [●] per equity share, aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Offer". The Offer and the Net Offer will constitute [●] % and [●] % respectively of the post Offer paid up Equity Share Capital of our Company.

OBJECTS OF THE OFFER

Our Company intends to utilize the Net Proceeds of the Fresh Offer (Offer proceeds of the Fresh Offer less the Offer Expenses) towards the following Objects:

Sr. No.	Particulars	Amount to be financed from the Net Proceeds (Rs. in lakhs)	Percentage of the net proceeds
1.	To finance establishment of new manufacturing unit - II	400.00	[●]%

Sr. No.	Particulars	Amount to be financed from the Net Proceeds (Rs. in lakhs)	Percentage of the net proceeds
2.	Funding the working capital requirement of the Company	600.00	[●]%
3.	General Corporate Purpose	[●]	[●]%
4.	Offer expenses	[●]	[●]%
	Total	[●]	[●]%

Offer for sale -

Each of the Selling Shareholders shall be entitled to their respective portion of the proceeds of the Offer from Offer for Sale. Our Company will not receive any proceeds from the Offer for sale.

For further details kindly refer to chapter titled “Object of the Offer” beginning on page 83 of this DRHP.

PRE-OFFER SHAREHOLDING OF PROMOTERS, PROMOTER GROUP & SELLING SHAREHOLDERS

As on the date of this DRHP, our Promoters, Promoter Group members and Selling Shareholders are collectively holding 2,10,00,000 Equity Shares of our Company which is 100.00 % of our Pre-Offer Paid-Up Capital.

Following are the details of shareholding of Promoters and promoter group:

Sr. No.	Name of the Shareholders	Pre – Offer	
		No. of Equity Shares	% of Pre- Offer Capital
(I)	(II)	(III)	(IV)
	Promoter (Selling Shareholders)		
1.	Guru Prasanna Sahoo	45,00,000	21.43
2.	Arvind Kumar Tripathi	45,00,000	21.43
3.	Jagdish Kumar	45,00,000	21.43
4.	Shivananda	45,00,000	21.43
	Sub Total (A)	1,80,00,000	85.72
	Promoter Group		
5.	Niharika Sahoo (Selling Shareholder)	7,50,000	3.57
6.	Sangita Bharti	7,50,000	3.57
7.	Pooja Tripathi	7,50,000	3.57
8.	Prabha TS	7,50,000	3.57
	Sub Total (B)	30,00,000	14.28
	Total (A+B)	2,10,00,000	100.00

SUMMARY OF FINANCIAL INFORMATION

Following are details as per the restated financial statements for the financial years ended on March 31, 2019, 2018 and 2017:

(Amount in Rs. Lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Equity Share Capital	2100.00	1400.00	1195.18
Net Worth	3463.78	1830.95	1302.27
Total Revenue	16436.79	10411.64	9196.73
Profit after tax	932.83	323.85	204.11
Earnings per share (in Rs.)	4.44	2.31	1.71
NAV per equity share (in Rs.)	16.49	13.08	10.90
Total borrowings (as per balance sheet)*	2802.85	1195.81	785.40

*Includes Long term Borrowing and short term borrowings.

AUDITOR QUALIFICATIONS

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

SUMMARY OF OUTSTANDING LITIGATIONS

Our Company, Promoters and Directors are currently involved in certain litigation which is currently pending at various stages, the details of the same are summarised in the table set forth below:

(Amount in Rs. Lakhs)

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other material proceedings	Aggregate amount involved
By the Company	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	1	Nil	9.92
By the Promoter	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	1	Nil	0.70
By the Directors	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil
By Group Entitiesies	Nil	Nil	Nil	Nil	Nil
Against Group Entities	Nil	Nil	Nil	Nil	Nil

For further details in relation to legal proceedings involving our Company, Promoters and Directors and contingent liabilities to the company please refer chapter titled “Outstanding Litigation and Material Developments” beginning on page 202 of this DRHP.

RISK FACTORS

Please refer to the chapter “Risk Factors” beginning on page 28

SUMMARY OF CONTINGENT LIABILITIES

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

(Amount in Rs. Lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Bank Guarantee issued by Bank*	5090.52	2558.56	3140.43
Total	5090.52	2558.56	3140.43

For further details regarding the same, refer the chapter titled “Financial Statements as Restated” beginning on page 182 of this DRHP.

SUMMARY OF RELATED PARTY TRANSACTIONS

Following is the summary detail of the related party transactions entered by the Company for the financial year ended on 31st March, 2019, 31st March, 2018 and 31st March, 2017:

(a) Names of related parties and description of relationship:

Nature of related parties	Description of relationship
Guru Prasanna Sahoo	Managing Director
Jagdish Kumar	Whole Time Director
Shivananda	Whole Time Director
Arvind Kumar Tripathi	Chairman Cum Whole Time Director
Niharika Sahoo	Spouse of Guru Prasanna Sahoo
Sangeeta Bharti	Spouse of Jagdish Kumar

Nature of related parties	Description of relationship
Prabha TS	Spouse of Shivananda
Pooja Tripathi	Spouse of Arvind Kumar Tripathi
Ramawati Devi	Mother of Arvind Kumar Tripathi
Nilshikhaa Steel Structure Private Limited	Group Concerns of the Company
MS Infraa Structures	Sister Concerns of the Company
DB Infraa Structures	Sister Concerns of the Company
Appna Engineering	Sister Concerns of the Company
Jayaditya Electricals	Sister Concerns of the Company

b) Transactions with related parties:

(Amount in Rs. Lakhs)

Particulars	As at and for the year ended 31 March		
	2019	2018	2017
Guru Prasanna Sahoo			
Loan Taken	263.80	42.00	12.70
Loan Repaid	122.38	13.02	9.72
Remuneration	41.82	67.39	30.65
TOTAL	427.99	122.42	53.07
Jagdish Kumar			
Loan Taken	395.02	66.00	133.18
Loan Repaid	223.68	33.14	4.46
Remuneration	41.82	67.40	30.65
TOTAL	660.52	166.54	168.29
Shivananda			
Loan Taken	314.20	70.00	38.07
Loan Repaid	174.75	29.74	1.04
Remuneration	41.82	67.40	30.65
TOTAL	530.77	167.13	69.76
Arvind Kumar Tripathi			
Loan Taken	267.36	35.00	12.70
Loan Repaid	122.38	1.05	56.58
Remuneration	41.82	67.40	30.65
TOTAL	431.56	103.45	99.93
Niharika Sahoo			
Loan Taken	45.00	20.00	-
Loan Repaid	-	18.41	0.46
Remuneration	19.57	46.46	19.95
TOTAL	64.57	84.87	20.41
Sangeeta Bharti			
Loan Taken	45.00	6.00	-
Loan Repaid	-	4.41	0.46
Remuneration	19.57	46.46	17.12
TOTAL	64.57	56.87	17.58
Prabha T.S.			
Loan Taken	65.00	5.00	-
Loan Repaid	-	3.41	0.49
Remuneration	19.57	46.46	17.12

Particulars	As at and for the year ended 31 March		
	2019	2018	2017
TOTAL	84.57	54.87	17.62
Pooja Tripathi			
Loan Taken	45.00	48.41	-
Loan Repaid	-	46.82	0.35
Remuneration	-	-	-
TOTAL	45.00	95.23	0.35
Ramawati Devi			
Remuneration	19.58	46.49	17.15
TOTAL	19.58	46.49	17.15
M S Infrastructure			
Contractor Services	72.02	108.66	126.68
Purchases	34.65	59.21	-
Payment for Services & Purchases	35.74	152.36	18.16
TOTAL	142.41	320.22	144.83
DB Infrastructure			
Contractor Services	413.54	113.74	18.42
Purchases	-	-	-
Payment for Services & Purchases	223.22	35.00	53.07
TOTAL	636.76	148.74	71.49
Jayaditya Electricals			
Loan Taken	-	10.00	-
Loan paid	-	10.00	-
Contractor Services	314.83	81.57	126.80
Purchases	453.17	358.16	-
Payment for Services & Purchases	1,137.06	397.93	105.38
TOTAL	1,905.06	857.65	232.18
Appna Engineering			
Loan Taken	-	-	115.00
Loan Paid	-	-	115.00
Rent	-	-	0.78
Sales	-	80.23	-
TOTAL	-	80.23	230.78
Nilshikha Steel Structure Private Limited			
Loan Taken	75.00	-	-
TOTAL	75.00	-	-

For further details of the same refer the Chapter titled “*Financial Statement as Restated*” beginning on page 182 of this DRHP.

DETAILS OF FINANCING ARRANGEMENTS

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

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

Our Promoters have not acquired any equity shares during the preceding one year from the date of this DRHP.

AVERAGE COST OF ACQUISITION OF SHARES

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

Name of Promoters	No. of equity share held	Average cost of acquisition (in Rs.)
Guru Prasanna Sahoo	45,00,000	10.00
Arvind Kumar Tripathi	45,00,000	10.00
Jagdish Kumar	45,00,000	10.00
Shivananda	45,00,000	10.00

DETAILS OF PRE-IPO PLACEMENT

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

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

Our Company has not issued any Equity Shares for consideration other than cash during last one year from the date of this DRHP.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

SECTION III – RISK FACTORS

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

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and which have been restated in accordance with the SEBI ICDR, 2018 Regulations. To obtain a better understanding, you should read this Section in conjunction with the chapters titled “Our Business” beginning on page 115, “Our Industry” beginning on page 98 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 184 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein.

Materiality:

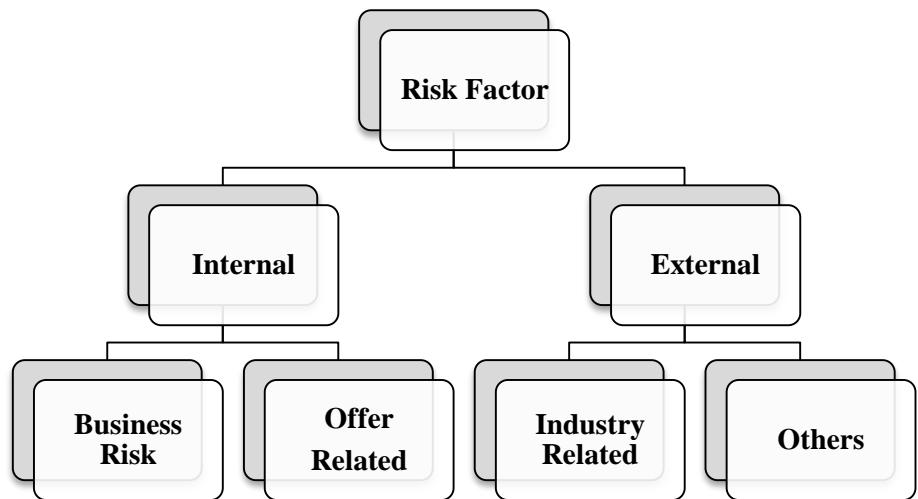
The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 03 of this Draft Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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

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



INTERNAL RISKS FACTORS:

BUSINESS RELATED RISKS

1. Our Company, and our Promoter has certain outstanding tax demands, the classification of which has been provided below in tabular form. In case the outstanding tax demands are not paid, our Company, and Promoter may be held liable to various penalties and/or monetary compensation and may adversely affect our business and results of operations.

A classification of legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Actions by Regulatory Authorities	Tax Proceedings	Other Material Proceedings	Aggregate amount involved (Rs. in lakhs)
By the Company	NIL	NIL	NIL	NIL	NIL
Against the Company	NIL	NIL	1	NIL	9.92
By the Promoter	NIL	NIL	NIL	NIL	NIL
Against the Promoter	NIL	NIL	1	NIL	0.70
By the Directors	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	NIL
By Group Companies	NIL	NIL	NIL	NIL	NIL
Against Group Companies	NIL	NIL	NIL	NIL	NIL

*N.A. = Not Applicable.

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company, kindly refer the chapter titled "*Outstanding Litigation and Material Developments*" on page 202 of this Draft Red Herring Prospectus.

2. A significant portion of our revenue is generated from business transactions with government entities. Any change in the governments in the markets in which we operate, changes in policies

and/or our inability to recover payments therefrom in a timely manner or at all, would adversely affect our operations and revenues which in turn would adversely affect our profitability.

For fiscal 2017, 2018 and 2019, 100%, 100%, and 95.11% of our revenue from operating activities, respectively, were derived from government entities. There may be delays associated with collection of receivables from government owned or controlled entities. Our operations involve significant working capital requirements and delayed collection of our receivables could materially and adversely affect our liquidity, internal cash flows, cost of funding and results of operations. In addition, we may be subject to additional regulatory or other scrutiny associated with commercial transactions with government owned or controlled entities and agencies.

In addition to the above, the contracts with Government entities may be subject to extensive internal processes, policy changes, Government or external budgetary allocation and insufficiency of funds, which may lead to lower number of contracts available for bidding or increase in the time gap between invitation for bids and award of the contract. As long as Government entities are responsible for awarding contracts to us and are a critical party to the development and ongoing operations of our projects, our business is directly and significantly dependent on projects awarded by them. With reference to projects where our bids have been successful, there may be delays in award of the projects and/or notification of appointed dates, which may result in us having to retain resources which remain unallocated, thereby adversely affecting our financial condition and results of operations. Any adverse change in policies by government leading to reduction in capital investment in the Power infrastructure sector could affect us adversely. Further, if there is any change in the government or in governmental policies that results in a slowdown in infrastructure projects, our business, financial condition and results of operations may be adversely affected.

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

Our Company was originally formed as Partnership firm in the name and style of M/s. Nilshikhaa Infra at Indore, Madhya Pradesh in the year 2013 which was then converted into a Public Limited Company under the Companies Act, 2013 under the name of “Nilshikhaa Infraa India Limited” vide Certificate of Incorporation dated August 30, 2016. Subsequently, the name of our company was changed to “Nilshikhaa Projects Limited” in the year 2019. In August, 2018, Our Company has entered into manufacturing of cables and conductors from the 3rd quarter of Financial Year 2018-19. Our company has acquired the manufacturing unit from M/S. Electro Cable Industries which was a proprietorship firm with running business vide Business Transfer Agreement dated August 16, 2018.

Given our Company's limited operating history, we may not have sufficient experience to address the risks frequently encountered by early stage companies, including our ability to successfully complete our orders or maintain adequate control of our costs and expenses. Given the fragmented nature of the industry in which we operate, we often do not have complete information about our competitors and accordingly we may underestimate supply in the market. If we are unsuccessful in addressing such risks, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

4. Our order book may not necessarily indicate future income. Projects included in our order book may be delayed, modified, cancelled or not fully paid for by our clients.

Our order book does not necessarily indicate future earnings related to the performance of that work. Our order book refers to expected future revenues under signed contracts or contracts where letters of intent have been received. Order book represent only business that is considered firm, although cancellations or unanticipated variations or scope or schedule adjustments may occur. Due to changes in project scope and schedule, we cannot predict with certainty when or if our order book will be performed. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed. We cannot guarantee that the income anticipated in our order

book will be realized, or, if realized, will be realized on time or result in profits. Any project cancellations or scope adjustments, which may occur from time to time, could reduce the amount of our order book and the income and profits that we ultimately earn from the contracts. Any delay, cancellation or payment default could have a material adverse effect on our business, results of operation and financial condition.

- 5. All of our business experience is derived from projects, which we have executed as well as we are executing in the States of Madhya Pradesh, Maharashtra and Odisha. Hence, we have limited exposure in operating projects outside of the States of Madhya Pradesh, Maharashtra and Odisha which may make it difficult to evaluate our past performance and prospects with respect to different geographies and any adverse development in these regions may adversely affect our business, results of operations and financial conditions.**

As on date of this DRHP, projects awarded to us are based out in the States of Madhya Pradesh, Maharashtra and Odisha. Whilst we have successfully completed projects in the aforesaid States, and have undertaken projects in the States of Madhya Pradesh, Maharashtra and Odisha, and respectively, most of our experience of operating projects is derived from only three States in India i.e. Madhya Pradesh, Maharashtra and Odisha, which subjects us to various risks, such as, regional slowdown in power infrastructure activities; disturbances due to adverse climatic conditions; changes in laws, policies and regulations of the political environment; lack of our ability to implement the strategy to cluster projects in the states where we intend to conduct business among other factors. Further, unanticipated risks and increasing competition in our present market may make our business operations vulnerable.

The experience that we have gained from our existing projects may not be fully relevant or applicable to the development/ operation of future projects if any in other states of India and hence, we may face limitations to geographical growth of business. We may face additional risks if we undertake projects in other geographic areas in which we do not possess the same level of experience. We may not succeed in addressing certain risks pertaining to companies in an early stage of growth in other geographical regions, including our ability to acquire and retain customers or maintain adequate control of our costs and expenses. Entering into new regions or spaces may pose challenges to our management, administrative, financial and operational resources. If we are unsuccessful in addressing business risks in time or at all, our business may be materially and adversely affected. Accordingly, investors should consider our business and prospects in light of the risks, losses and challenges that we face on account of the above. Further, our limited operating history in the said geographical regions may not provide a meaningful basis for evaluating our business, financial performance, prospects or results of operations, or to make a decision about an investment in our Equity Shares.

- 6. We generally do business with our customers based on tenders awarded and on purchase order basis and do not enter into long-term contracts with most of them.**

In EPC Project segment, we bid for the projects based on the various factors like competency, technical capabilities, financial capacity, tender qualification norms etc. In manufacturing segment our company do business on the basis of order received from our customers. We manufacture our products as per the requirement our clients.

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products and services. Further, our Company has not appointed any exclusive agents for handling its operations. Any change in the buying pattern or tender qualification norms of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

- 7. We may not be able to qualify for and win contracts.**

Our contracts are obtained through a competitive bidding process. In selecting contractors for major projects, clients generally limit the tender to contractors who are pre-qualified based on several criteria including experience, execution capacity and performance, reputation for quality, safety record,

financial strength and bonding capacity and size of previous contracts in similar projects, although price competitiveness of the bid is the most important selection criterion. Pre-qualification is key to our winning such major projects. We are currently qualified to bid for projects up to a certain value and therefore, may not be able to compete for larger projects. Our ability to bid for and win such major projects is dependent on our ability to show experience of working on such large EPC and lump-sum turnkey contracts and developing strong engineering capabilities and credentials to execute more technically complex projects.

8. We may not always possess and maintain our bid capacity and pre-qualification capability.

Our business and growth are dependent on our ability to bid for orders for our products and for procuring projects. Bidding is dependent on various criteria, including, bid capacity and prequalification capability. In selecting contractors for projects, customers generally limit the tender to contractors they have pre-qualified based on technical and financial criteria, such as experience, technical ability, past performance, reputation for quality, safety record, financial strength and the size of previous contracts executed in similar projects with them or otherwise. In addition to meeting bid capacity requirements, we may also be required to pre-qualify for the projects. It is imperative to enhance our bid capacity and pre-qualification capability. However, we cannot assure that we shall always maintain our bid capacity and our prequalification capabilities, or at all, and that we shall be able to continually secure projects so as to enhance our financial performance and results of operations. Our inability to fulfil and maintain the bid and pre-qualification capabilities may materially impact our operating revenue and profitability.

9. Bidding for a tender involves various management activities such as detailed project study, cost estimations etc. Inability to accurately measure the cost may lead to bid amounts having margin lower than the expected rate of return.

For every project, Notice for Invitation of tender is issued which requests interested companies/contractors/Sub-contractors participants to bid. To evaluate a project tender, we undertake various management discussions, project feasibility study, cost estimations, raw material and equipment suppliers among others which aids us to calculate the estimated cost of the project on which we add-on our margin, which varies from project to project, the result of which is the tender amount which we bid for any particular project.

Accordingly, all of the bid amounts are based on estimation of the project cost, the fluctuation of which, either marginally or substantially, may impact our margins adversely. Further, we may incorrectly or inadequately estimate the project cost leading to lower bid amount affecting our profitability, in case the project is awarded to us. Excess estimation of costs may lead to higher bid amount by us owing to which, we may not be awarded a contract substantially impacting our results of operations and financials. Further, as most of the projects are spread over a period of time, cost escalations in our industry is a frequent issue, although most of the agreements includes clauses relating to cost escalations, any wild fluctuations in costs or raw material availability or any other unanticipated costs will substantially impact the business operations, cash flows and financial conditions.

10. We are required to furnish financial and performance bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may result in forfeiture of bid security or earnest money deposit and termination of the relevant contract thereby affecting our results of our operations, financial condition and our prospects.

As per the terms of the agreements executed by us, we are required to provide financial and performance bank guarantees in favour of our clients to secure our financial/performance obligations under the respective contracts for our projects and are also required to ensure that the performance bank guarantees are valid and enforceable until the expiry of the contract or until we remedy any defects during the defects liability period or until such other period as is stipulated under the relevant contract.

As on March 31, 2019, we had issued bank guarantees amounting to Rs. 5,092.52 Lakhs towards securing our financial/performance obligations under our ongoing projects, based on the projects we have entered into. We may be unable to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. If any or all the

bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition.

Further, if we are not able to provide/extend the performance bank guarantee within the stipulated period with respect to the project, then the relevant contract may be terminated and the bid security or the earnest money deposit provided can be encashed, which could have a material adverse effect on our prospects. We may not be able to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees, our ability to enter into new contracts or obtain adequate supplies could be limited. Providing security to obtain financial and performance bank guarantees also increases our working capital requirements.

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

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

Particulars	Amount (Rs. In lakhs)		
	For the year ended March 31, 2019	March 31, 2018	March 31, 2017
A. Current Assets			
(a) Inventories	1,881.50	746.64	596.11
(b) Trade receivables	5,151.19	2,796.19	4,153.94
(c) Cash and cash equivalents	387.74	591.32	620.08
(d) Short-term loans and advances	3.85	0.34	12.07
(e) Other Current Assets	807.82	1,235.41	197.32
B. Current Liabilities			
(a) Trade payables	1631.92	1625.96	1567.17
(b) Other current liabilities	2,871.28	1,815.12	2,336.73
(c) Short-term provisions	61.39	0.03	16.60
Working Capital (A-B)	3,667.52	1,928.79	1,659.03
Trade Receivables as % of total current assets	62.57%	52.07%	74.45%

We intend to continue growing by reaching out to new customers and also increasing sales to the existing customers and thereby reaching to other geographical areas. All these factors may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Offer” beginning on page 83 of this Draft Red Herring Prospectus.

12. Government policy changes may result in projects being restructured, political or financial pressures could cause our customers, being government entities, to force us to renegotiate our agreements or delay their payment to us.

We earn significant portion of our revenue from execution of power transmission and distribution projects of government entities, pursuant to contractual arrangements with them. Our services to the government entities are based on the submission of bids and grant of contracts, which may require us to offer our products and services at competitive prices to them. However, there can be no assurance that our bid will be successful. Moreover, even if our bid is successful, we may not receive orders within the expected timelines or at all, which may negatively impact our annual turnover and growth plans. Submission of bids to government entities also requires us to provide bid guarantees to them, which are returned either upon receipt of an order or in case our bid is unsuccessful. In case of a delay in closure

of the bidding process or in receipt of an order for our products from the government entities, our bid guarantees will be blocked, which may affect our working capital requirements.

Growth in expenditure on power infrastructure development is driven by the policies of the Central Government, State Government and their nodal agencies. It may be possible that in certain cases implementation of budgetary allocation may get delayed and consequently we would receive payments against running account bills in a delayed manner, rather than specified payment conditions. The delay in payment could be on account of a change in the government, changes in any policies impacting the public at large and / or changes in external budgetary allocation or delay due to insufficiency of funds. Further, our EPC / turnkey services involve significant working capital requirements and delayed collection of receivables could adversely affect the Company's liquidity and financial results.

13. Revenues are recorded on the basis of the execution of the contracts. Our inability to efficiently and timely execute order book contracts may adversely impact our financial position.

Revenue recognition is done as per the relevant Accounting Standards, however, as a general principle, revenue is continuously recorded as per the execution of the contracts. Once the project is awarded to us, the same is reflected in our order book position as on any particular date. Subsequent to the initiation of the activities, revenue is recognised on timely basis as per the prevailing accounting rules and guidelines. We are expected to timely complete our projects within the stipulated time and costs for the projects to be economically value accretive.

Delay in completion of the projects may lead to penalties, costs escalations, liquidated damages amongst others which affect us by reduced margins or even loss on project to project basis. Further, such delays may lead to damaged reputation adversely impacting the goodwill of our Company and therefore the trust on our technical capabilities. Our clients may also possess the right for premature termination of the contract in the event of delay in completion of the work if the delay is not on account of any of the agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. Further, we may not be able to obtain extensions for projects on which we face delays or time overruns.

Further, slower execution of the projects may adversely impact our revenue recognition. With slow execution of the projects, revenue recognition from our order book may not be indicative, as the same projects may be continued for longer than expected period leading to delayed recognition of revenue impacting the financial conditions, cash flows and accordingly profitability from the project.

14. Our top 10 and top 5 customers contribute majority of our revenues from operations for the year ended March 31, 2019. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top 10 and top 5 customers contributed 98.90 % and 94.38% of our revenues for the year ended March 31, 2019 based on restated financials respectively. However, our top customers may vary from period to period depending on the demand and thus the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Since our business is concentrated among relatively few significant customers, we could experience a reduction in our results of operations, cash flows and liquidity if we lose one or more of these customers or the amount of business we obtain from them is reduced for any reason, including but not limited on account of any dispute or disqualification.

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

15. We plan to use the proceeds from fresh issue in setting up of new manufacturing unit - II in Ujjain, Madhya Pradesh with an estimated total cost of Rs. 901.04 Lakhs. The estimated cost of setting up of unit has not been appraised by any bank or financial institution. If there are delays or cost overruns in the setting up of the unit, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.

We plan to use the proceeds from fresh issue in setting up of new plant in Ujjain, Madhya Pradesh with an estimated total cost of Rs. 901.04 Lakhs. The fund requirement mentioned as part of the Objects of the Offer is based on quotations received from vendors as well as internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies. Also, if we engage someone other than an identified vendor, such vendor's quotation may differ from the current quotation. Subject to applicable laws, we may have to revise our funding requirements, including increasing or decreasing expenditure for the new unit and deployment on account of a variety of factors. We have acquired the land to set up this unit, but we are yet to place orders for construction of the plant or for the machinery for the plant. We plan to commence operations at this unit in Fiscal 2020. For further details, see "Objects of the Offer–Financing the project cost towards establishment of a new manufacturing facility" and "Our Business–Proposed New manufacturing facility" on pages 83 and 115, respectively.

As a consequence of any increased costs or delays in implementation, the actual costs to set up the new plant may be higher than our management's estimates, as a result of which, our financial condition and results of operations and cash flows could be materially and adversely impacted.

Further, there could be delays in setting up the new plant as a result of, among other things, contractors' failing to perform, unforeseen engineering problems, disputes with workers, or force majeure events, any of which could give rise to cost overruns and delays in our implementation schedules. If the construction of the new plants is subject to time and/or cost overruns, it could have an adverse effect on our business, results of operations, financial condition and growth prospects.

16. The Company has not placed orders for entire 100 % of plant & machinery and equipments for our proposed object of establishment of manufacturing Unit -II, as specified in the chapter "Objects of the Offer". Any delay in placing orders, procurement of plant & machinery and equipments may delay our implementation schedule and may also lead to increase in price of these plant & machinery and equipments, further affecting our revenue and profitability.

As on date of the Draft Red Herring Prospectus, we have not placed orders for plant & machinery and equipments required for proposed Manufacturing Unit- II. We have identified the type of plant and machinery and equipments required to be bought towards proposed objects. However, we are yet to place orders for entire 100 % of the Plant & Machinery worth Rs. 465.56 Lakhs as detailed in the "Objects of the Offer" beginning on Page 83 of this Draft Red Herring Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management's views of the desirability of current plans, change in supplier of equipments, among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled "Objects of the Offer" beginning on page 83 of this Draft Red Herring Prospectus.

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

Quality Control is an integral part of our operations. We are required to maintain quality services in respect of our Power transmission and distribution EPC projects, manufacturing and supply of Cables and conductors as per the requirement of our customers. Our products depend on customer's specifications in the industrial sectors. Any failure to maintain the quality standards of our products may affect our business. Although Our Company adheres to quality standards in our products and

services. Our company has actively focused on human resources, infrastructure, machinery and various testing equipments and over the time strived to deliver quality services and products. Our manufacturing unit is certified with various India and International quality standards. Our Company is having in-house product testing lab where the products manufactured are tested. Our testing lab is having adequate equipments to test the quality of products as per the standards prescribed by agencies such as Bureau of Indian Standard, International Electrification Commission and various government undertaking.

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

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

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

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

20. Our profitability and results of operations may be adversely affected in the event of any disruption in the supply of raw materials or increase in the price of raw materials, labour or other inputs. We may depend on outside parties for adequate and timely supply of materials and bought out items at commercially acceptable prices. Any disruptions, delay or increase in prices of such material and bought-out items could have a material adverse effect on our business.

The raw material consumption contribution of manufacturing activities is 79.46% of total production for the financial year 2018-19 of which 39.63% was used for in-house consumption and 60.37% was utilised as revenue from manufacturing activities

We do not enter into any long-term contracts for the purchase of raw materials with our suppliers. We are required to procure raw materials as per the specific instruction in terms of quality given under the purchase order. 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. If we are unable to procure the requisite quantities of raw materials in time and at commercially acceptable prices, the performance of our business and results of operations may be adversely affected.

Further, In relation to our EPC business, we may be significantly affected by the availability, cost and quality of materials and bought-out items which are required to construct, develop and complete our projects. The price and supply of materials, equipment and bought-out items depend on factors not under our control, including domestic and international economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import, value added and government duties and taxes. Our ability to pass on increases in the purchase price of raw materials and other inputs

may be limited in the case of contracts with limited price escalation provisions. Depending on the size of a project, these variations from estimated contract performance could have a significant effect on our profitability, financial condition and results of operations.

If for any reason, our primary suppliers of materials, equipment and bought-out items curtail or discontinue their delivery of materials to us in the quantities we seek or provide us with materials that do not meet our specifications, or at prices that are not competitive or not anticipated by us, our project schedules could be disrupted and our ability to meet our timelines for the completion of our projects could be impaired and we may be in breach of certain EPC contracts.

21. Our business operations are dependent on our ability to obtain new contracts failing which our operations and financials conditions may be adversely affected.

Our company is engaged in power transmission and distribution sector. We provides engineering, procurement and construction (“EPC”) services, undertake turnkey projects of government and private institutions under the various Central and state govt. electrification schemes. As a process, we receive contract awards after competitive bidding processes for the projects which involve both technical and financial parameters. Further, biddings are restricted to certain pre-qualification criteria and bidding amount eligibility.

Our revenues are result of various projects awarded to us. We incur significant costs in the preparation, evaluation and submission of bids which are non-reimbursable costs. We may not be able to assure you that we would bid where we have been pre-qualified or that our bids would be accepted. Tender processes conducted by the government authorities may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to tender for are not put up for tender within the announced timeframe, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected. Further, tenders awarded by the government/ government Companies can be cancelled prior to execution of work and cause loss of revenue.

The growth of our business mainly depends on our ability to obtain new contracts in the segment in which we operate. Generally, it is difficult to predict whether and when we will be awarded a new contract given the competition and complex tender processes. Our results of operations and cash flows may fluctuate substantially depending on the timely award of contracts, commencement of work and completion of projects. If we are unable to obtain new contracts for our business, our business will be materially and adversely affected.

22. Our results of operations and cash flows could be adversely affected, if we are unable to collect our dues and receivables from, or invoice our unbilled services to, our clients.

Our business depends on our ability to successfully obtain payment from our clients, customers. We might need to adjust our provisions, as a result of difference between actual losses on customer's balances and from those that we currently anticipate. Such conditions could cause customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables which may be received in full or in part or not at all. Our results of operations and cash flows could be adversely affected, if we experience delays in the collection of, or be unable to collect, our customer balances. In addition, if we experience delays in billing and collection for our sale, our cash flows could be adversely affected.

23. We need to depend on suppliers who are approved by client under project schemes after fulfilling the qualification criteria. If we will be unable to procure the material as per the terms and condition mentioned in project agreement, we may breach the requirement of project contract.

As per terms and condition of our certain project agreement, we required to procure the raw material for our project from suppliers who are approved by client under various project schemes only. Under the schemes of project, certain criteria for suppliers are prescribed by the client such as the quality of material, material tested on certain standards set by authority. Only those vendors who are fulfilling the

criteria and approved by authority can supply the materials in the projects. If our company unable to maintain the relationship and procure the material from these approved suppliers, which may affect the quality of project, project completion timelines, profitability of our company.

Our Company is having a pool of more than 200 approved suppliers approximately, who are eligible to supply the material under our various projects. Our Company has maintained good relationship with our suppliers which helps us to procure material on timely basis. Also our manufacturing unit supply us cable and conductors which are the widely used material in execution of project.

24. We operate in the power transmission and distribution industry which is a highly technical and regulated sector and if we fail to comply with the regulations prescribed or standards set by our customers, our business, results of operations, cash flows and financial condition could be adversely affected.

Our operations of manufacturing cables and conductors, forming part of the power transmission and distribution industry, are operated in a highly technical and regulated sector and is subject to stringent quality standards. The products manufactured by us need to comply with certain standards and as prescribed by the Bureau of Indian Standards (BIS). Also our products has to be undergone with various tests such as Regular test, Type tests and Acceptance test. The registration requires our Company to comply with the specific provisions of various acts enforceable by the BIS for power transmission and distribution, most of which are stringent and they may continue to be stricter in the future. The penalties for non-compliance with these regulations can vary from revocation or suspension of the registration to imposition of fines or confiscation of the products manufactured, stored or sold. These regulations are not only required to be adhered to as part of our regulatory mandate but also technical specifications and pre-qualifications of our products is a substantial issue for our customers.

Our customers, who are into the power transmission, and distribution sector, prefer products that adhere to strict standards and regulations and hence variations in product quality could result in loss of a substantial customer. However, we cannot guarantee that these licenses will be available to us in future or they will be renewed in proper time. Consequently, there is an increased risk that we may inadvertently fail to comply with such regulations or procedures, which could lead to a variety of sanctions being imposed by the relevant authorities, as well as withholding or delay in further production process. Further, any adverse change in the regulatory environment or client procedures in the future may subject us to increased obligations and may adversely affect our business, cash flows and results of operations.

Our Company adheres to high quality standards in our products and services. Our company has actively focused on human resources, infrastructure, machinery and various testing equipments and over the time strived to deliver quality services and products. Our manufacturing unit is certified with IS 398 (Part 2): 1996 ISI, IS 1554 (Part 1) 1988, IS 14255:1995 and IS 398 (Part 4): 1994 by Bureau of Indian Standards and ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certified by Trans Continental Certifications Private Limited. Our Company is having in-house product testing lab where the products manufactures are tested. Our testing lab is having adequate equipments to test the quality of products as per the standards prescribed by agencies such as Bureau of Indian Standard, International Electrification Commission and various government undertaking.

25. Our manufacturing facility is located at Indore, Madhya Pradesh. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.

Our Company has its manufacturing facilities located at Electronics Complex, Indore, Madhya Pradesh. Generally there is no power cut in the industrial area where our facility is located. We get skilled and semi-skilled labours, basic raw materials from the suppliers as specified by our customers, our success depends on our ability to successfully utilize these manufacturing facility and our execution capabilities to its utmost capacities and deliver our products and services in order to meet our customer demands in a timely manner. Our projects may be affected from risks, such as human error breakdown or failure of equipment. Our manufacturing facility is also susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, plant and machinery, power supply

or processes, performance below expected levels of output or efficiency, obsolescence, terrorist attacks, acts of war, break-ins, natural disasters such as earthquakes and industrial accidents and other similar events beyond our control. Further, our project sites and manufacturing facility are also subject to operating risks arising from compliance with the directives of government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

Further, the activities carried out at our project sites and manufacturing facility may be potentially dangerous to our employees/labours. While we employ safety procedures in our operations and maintain what we believe to be adequate insurance, there is a risk that an accident may occur at our operation locations. An accident may result in personal injury to our employees or the labour deployed at our facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/ or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost of defending such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

26. During past years of operations, we have experienced major portion of revenue during last two quarters of the financial year.

We experience higher revenue from our projects in the last two quarters of the fiscal year in light of the fact that we are dependent on government contracts which are driven by budgets and expansion plans which invariably crystalizes in the last two quarters of the financial year and the executions are completed in the last quarter. The first two quarters of each year are the slowest season during a fiscal year involving monsoon period as well. 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 and services to ensure that we purchase the proper amount of raw materials and employ the right amount of labour to execute our projects. 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 in a timely manner or at all or inadequate quantities of raw materials and consequently delay in execution of our projects. However, our company has entered into power transmission and manufacturing of cable and conductors the activities which are less affected in the slowest quarters of the financial year.

27. Our business is seasonal in nature

Our Company operates in the power transmission and distribution sector. We provide EPC services, undertake turnkey projects mainly in Madhya Pradesh, Maharashtra and Odisha states of India and are also manufacturers of cables and conductors which are majorly utilized in laying of power transmission and distribution lines. Both these segments are affected during the rainy season due to unfavourable conditions of the remote project sites for construction activities and/or laying of power transmission and distribution lines. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials. Such fluctuations may adversely affect our revenues, cash flows, results of operations and financial conditions.

28. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. All the approvals are required to be transferred in the name of "Nilshikhaa Projects Limited" from "Nilshikhaa Infra India Limited" pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

Pursuant to name change of our company from “Nilshikhaa Infra India Limited” to “Nilshikhaa Projects Limited” in the year 2019, we need to take necessary steps for transferring the approvals of our company in the new name. The approvals/licenses obtained by our Company shall expire on the date of expiry. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

Our Company has not applied for licenses/certificates required to be obtained under the Building & other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996 for the states of Madhya Pradesh and Maharashtra. Further, our Company has not applied for licenses/certificates required to be obtained under the Contract Labour (Regulation and Abolition) Act, 1970 for the states of Madhya Pradesh and Maharashtra. For more information, see chapter **“Government and Other Statutory Approvals”** on page 206 of this Draft Red Herring Prospectus.

Also, We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain. We have a logo which is used for our business purpose. Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects. The material approvals, licences or permits required for our business include Electrical Contractor License, Shops and establishment licences, License for the use of Standard Mark under the Bureau of Indian Standards among others. See **“Government and other Statutory Approvals”** on page 206 of this Draft Red Herring Prospectus for further details on the required material approvals for the operation of our business.

29. Our government contracts usually contain terms that favour government. Our ability to negotiate the standard form of Government contracts may be limited and we may be required to accept unusual or onerous provisions in such contracts, which may affect the efficient execution and profitability of our projects.

The counterparties to a number of our EPC contracts are government entities and these contracts are usually based on standard terms and conditions set out by the government entities. We thus have had only a limited ability to negotiate the terms of these contracts, which tend to favour our government and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. For example, the terms laying out our obligations as well as operation and maintenance specification for our projects are determined by the Government entities and we are not permitted to amend such terms or specifications. Further, under our contracts, the Government entity has the right to change the scope of work to include additional work which was not contemplated at the time of execution of the contract. Additionally, our projects provide the Government authority with a right to terminate the contract unilaterally without assigning any reason. If the government client terminates any of our project agreements, under the relevant agreement it is generally required to compensate us for the amount of our unrecovered investment, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not fully compensate us. These onerous conditions in the Government contracts may affect the efficient execution of these projects and may have adverse effects on our profitability.

30. Some or all of our ongoing projects may not be completed by their agreed completion dates. Such delays may adversely affect our business, results or operations and financial conditions

The industry in which our Company operates is prone to time and cost over-runs. The construction or development of our projects involves various implementation risks including, delay or disruption in supply of raw materials, delays in obtaining certain property rights and government approvals and consents, unanticipated cost increases, adverse environmental and weather conditions, natural disasters,

force majeure events or delays in securing required licenses, authorisations or permits or making advance payments.

While, till date there has been no cost over-run consequent to delay in execution of our completed as well as ongoing projects however, we cannot assure you that certain penalties may not be levied upon us on account of such extension for completion. Similarly, our future projects may also be subject to delays and time and cost over-run on account of reasons which are beyond our control. Such modification and changes to the project completion timelines may have significant impact on our ongoing and future projects and consequently, we may be penalized and be required to pay damages to our clients, which may have an adverse effect on our business, client relations, our credibility, results of operation and financial conditions. While we may seek to minimize the risks from any unanticipated events, it cannot be assured that all potential delays can be mitigated and that we will be able to prevent any time and cost over-runs and any loss of profits resulting from such delays, shortfalls and disruptions.

31. We have not made any provisions for decline in value of our Investments. Any decline in value of investment may affect our financial performance.

As on March 31, 2019, we hold investments in quoted Equity mutual funds Instruments to Rs. 240.42 lakhs as per Restated Financial Statements. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

32. Our Group Company has incurred losses in the previous financial years.

Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers, etc., which may affect our credibility and business operations. Our Group Company, Nilshikhaa Steel Structure Private Limited has incurred loss in Financial Year 2018-19.

Financial Performance of Nilshikhaa Steel Structure Private Limited

(Amount in Rs. Lakhs except per share figures)

Particulars	Year Ending March 31, 2019
Paid up Equity Capital	80.00
Reserves & Surplus (excluding revaluation reserves)	(2.84)
Networth	77.16
Total Revenue	0.00
Profit/Loss after tax	(2.84)

Nilshikhaa Steel Structure Private Limited is incorporated in FY 2018-19 only and yet to its start business operations.

There can be no assurance that our Group Companies, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

33. The shortage or non-availability of power facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.

Our manufacturing processes require substantial amount of power. Our manufacturing unit is situated at Electronics Complex, Indore, generally there is very less power interruption in the industrial area where our facility is situated. Currently, Company receives power from Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVCL). The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of oil prices and other constraints. Our Company is mainly dependent on State Government for meeting its electricity requirements. Any disruption/ non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

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

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

35. We operate in an extremely competitive environment with many domestic players in our segment and may not be able to maintain our market position, which may adversely impact our business, results of operations and financial condition.

The industry that we operate in particular, is highly competitive and our results of operations and financial condition may be materially adversely affected by competitive pricing factors. Our competition varies depending on the size, nature and complexity of the projects. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and innovative in responding to rapidly changing market demands and industrial requirements. There can be no assurance that we can effectively compete with our competitors in the future and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

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

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

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

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

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

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

As on March 31, 2019, our Company has following contingent liabilities as per restated financials, the details for which are as under:

Particulars	Amount Outstanding as at March 31, 2019	Amount (Rs. in. Lakhs)
Bank Guarantees		5,090.52
Total		5,090.52

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled - Financial Statements on page 182 of this Draft Red Herring Prospectus.

39. The Offer for Sale proceeds will not be available to our Company.

As on the date of this Draft Red Herring Prospectus, Our selling shareholders Arvind Kumar Tripathi, Guru Prasanna Sahoo, Jagdish Kumar, Shivananda and Niharika Sahoo have specifically confirmed that they hold 45,00,000, 45,00,000, 45,00,000, 45,00,000 and 7,50,000 Equity Shares respectively and that they have consented to offer 8,00,000, 8,00,000, 8,00,000, 8,00,000 and 3,04,000 Equity Shares respectively for sale in the Offer for Sale. For further details, please refer chapter titled "The Offer" on page 55 of this Draft Red Herring Prospectus. The proceeds from the Offer for Sale will be remitted to the Selling Shareholders and our Company will not benefit from such proceeds.

40. Conflicts of interest may arise out of common business undertaken by our Company and our Group entities and promoter Group entities.

Our Group entities and Promoter Group entities namely, Nilshikhaa Steel Structure Private Limited, Jayaditya Electricals, MS Infrastructure and DB Infrastructures are also authorized to carry out business similar to that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our group entities and promoter group entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other entities in which our Promoters have interests. There can be no assurance that our Promoters or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

41. Our Company does not own the land on which our Manufacturing facility (Unit I) and various site offices are situated which we have taken on lease.

Our Company does not own the land on which our Manufacturing Facility (Unit I) is situated i.e. Plot No. 39, 40, 41-A, 41-B, 42, 43-A Electronics Complex, Pardeshipura, Indore – 452003, Madhya

Pradesh, India. This premise have been taken on lease from M.P. Audyogik Kendra Vikas Nigam (Indore) Limited for a lease period of 30 Years commencing from December 03, 2018. Also various site offices located in the states of Maharashtra, Madhya Pradesh and Odisha have been taken on lease from independent third parties.

If under such agreement in which we occupy the premise is not renewed on terms and conditions that are favorable to us, or at all, we may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations. If we do not comply with certain conditions of the lease, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our Manufacturing facility (Unit I) to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

42. We could become liable to clients, suffer adverse publicity and incur substantial costs as a result of defects in our products and services, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Any failure or defect in our products and our services could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. Although we attempt to maintain quality standards, we cannot assure that all our products and project would be of uniform quality, which in turn could adversely affect the value of our Company, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our clients have in the quality of our products and our execution capabilities. Any negative publicity regarding our Company, Services or products, including those arising from a drop in quality of our vendors or any unforeseen event, could affect our reputation and our results from operations.

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

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

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

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

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

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory

actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

46. Our operations may be adversely affected in case of industrial accidents at our production facility and project sites.

Usage of heavy machinery, equipments, handling of sharp parts of machinery and other project and manufacturing related activities by labour at our project sites and at our manufacturing unit may result in accidents, which could cause indirect injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations at our Manufacturing facility and Project sites. Further, our plant and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability.

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

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company and Selling Shareholders in consultation with the BRLMs. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “Capital Structure” beginning on page 70 of this Draft Red Herring Prospectus.

48. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies consist of, among others, Marine cum Erection policy, Commercial package policy, Employee Compensation policy, standard fire and special perils, Money Insurance policy and vehicle insurance in respect of certain of our Registered office, Manufacturing unit, projects and vehicles. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further, there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 115 of this Draft Red Herring Prospectus.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 1,881.31 Lakhs as per restated financials for the year ended March 31, 2019. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “Financial Indebtedness” please refer to page 199 of this Draft Red Herring Prospectus.

50. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Further, our Company has not received “No Objection Certificate” from our lenders to undertake the Offer.

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other

conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 199 of the Draft Red Herring Prospectus.

Further, as on the date of the Draft Red Herring Prospectus, we have not received “No Objection certificates” from HDFC Bank Limited, State bank of India, Union Bank of India and Yes Bank Limited. We cannot assure you that such lenders will grant us the “No- Objection certificate” for this Offer. Non-receipt of such “No-Objection certificate” could lead to non-compliance of the terms of loan agreements entered into by our Company with the lenders.

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

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

Based on Restated Financial Statement, our Company has unsecured loans as at March 31, 2019, amounting to Rs. 583.90 lakhs from Promoter, members Promoter Group, Group entity, Bank and financial institutions that are repayable on demand to the relevant lenders as per restated financials. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled “Financial Statements as Restated” beginning on page 182 of this Draft Red Herring Prospectus.

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

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

53. Within the parameters as mentioned in the chapter titled ‘Objects of this Offer’ beginning on page 83 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds from fresh Issue. The fund requirement and deployment mentioned in the Objects of this Offer have not been appraised by any bank or financial institution.

We intend to use fresh Issue Proceeds towards setting up of new plant in Ujjain, Madhya Pradesh; funding the working capital requirement of the Company; and general corporate purpose and to meet the Offer expenses. We intend to deploy the Net Offer Proceeds in financial year 2019-20. The deployment of the fund is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc. For further details on the use of the Offer Proceeds, please refer chapter titled “Objects of the Offer” beginning on page 83 of this Draft Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Offer’ beginning on page 83 of this Draft Red Herring

Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Offer. Our Audit Committee will monitor the proceeds of this Offer.

However, Audit Committee will monitor the utilization of the proceeds of this Offer and prepare the statement for utilization of the proceeds of this Offer. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Offer without our Company being authorise to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

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

As on date of this Draft Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Offer. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Offer” beginning on page 83 of this Draft Red Herring Prospectus.

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

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

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

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

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

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend

on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 181 of this Draft Red Herring Prospectus.

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

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

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

Our Directors, Promoters and Key Managerial Personnel (“KMPs”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, our Directors, Promoters and KMPs may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 70 and 153, respectively, of this Draft Red Herring Prospectus.

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

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “Financial Indebtedness” beginning on page 199 of this Draft Red Herring Prospectus.

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

Our Company has entered into transactions with our Promoter, Promoter Group Entities and Group Company. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “Related Party Transactions” in Section “Financial Statements as Restated” beginning on page 182 of the Draft Red Herring Prospectus.

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

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

OFFER SPECIFIC RISKS:

- 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 in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

- 64. After this Offer, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.**

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

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

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

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

The Offer Price of our Equity Shares will be determined by Book Built method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Offer Price” beginning on page 92 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

66. QIB 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 Period and withdraw their Bids until Bid Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid Closing Date, events affecting the Bidders’ decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition 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 may 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.

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

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

EXTERNAL RISK FACTORS:

INDUSTRY RISKS

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

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

OTHER RISKS

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

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus under chapter “Financial Statements as restated” beginning on page 182, the financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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

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

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

The Government of India implemented a comprehensive national goods and services tax (“GST”) regime that combines taxes and levies by the central and state governments into a unified rate structure from July 1, 2017, which we believe will result in fundamental changes. However, given its recent introduction, there is no established practice regarding the implementation of, and compliance with, GST. The implementation of the new GST regime has increased the operational and compliance burden for Indian companies and has also led to various uncertainties. Any future increases and amendments to the GST regime may further affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented. Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

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

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

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

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

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

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

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

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

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

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

76. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

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

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

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

SECTION IV – INTRODUCTION
SUMMARY OF FINANCIAL STATEMENTS

Details	Page. No.
Summary of Restated Financial Statements	A-1 to A-3

Nilshikhaa Projects Limited

Annexure 1: Restated Summary Statement of Assets and Liabilities

(₹ in Lakhs)

Particulars	Annexure	As at 31 March		
		2019	2018	2017
Equity and liabilities				
Shareholders' funds				
Share capital	5	2,100.00	1,400.00	1,195.18
Reserves and surplus	6	1,363.78	430.95	107.09
		3,463.78	1,830.95	1,302.27
Non-current liabilities				
Long-term borrowings	7	593.17	595.06	226.48
Deferred tax liabilities (net)	8	-	-	-
Other long-term liabilities	9	-	-	-
Long-term provisions	10	39.93	18.65	7.99
		633.10	613.72	234.47
Current liabilities				
Short-term borrowings	7	1,872.04	561.93	548.61
Trade payables	11			
- total outstanding dues of micro and small enterprises		848.82	1,311.52	1,200.61
- total outstanding dues other than micro and small enterprises		783.10	314.44	366.56
Other current liabilities	12	2,871.28	1,815.12	2,336.73
Short-term provisions	10	61.39	0.03	16.60
		6,436.64	4,003.03	4,469.10
Total		10,533.51	6,447.70	6,005.85
Assets				
Non-current assets				
Property, plant and equipment	13	1,009.43	228.02	148.31
Intangible assets	14	110.37	-	-
Capital work-in-progress		-	-	-
Non-current investments	15	240.42	282.74	55.00
Deferred tax assets (net)	8	11.50	21.01	15.11
Long-term loans and advances	16	8.71	1.05	1.19
Other non-current assets	17	920.95	544.98	206.69
		2,301.39	1,077.80	426.30
Current assets				
Trade receivables	18	5,151.19	2,796.19	4,153.94
Inventories	19	1,881.50	746.64	596.11
Cash and bank balances	20	387.74	591.32	620.08
Short-term loans and advances	16	3.85	0.34	12.07
Other current assets	21	807.82	1,235.41	197.32
		8,232.11	5,369.89	5,579.53
Total		10,533.50	6,447.69	6,005.83
Contingent Liability	4 (c) (i)	5,090.52	2,558.56	3,140.43

Note:

The above statement should be read with the Notes to the Restated summary statement of Profit & loss, cash flows and significant Accounting Policies in Annexure 2, 3 and 4B.

As per our report of even date attached

For M/s. Nitin K Shah & Co
Chartered Accountants
Firm Registration No.: 107140W

For and on behalf of the Board of Directors
of Nilshikhaa Projects Limited

Sd/-

CA Vaibhav Shah
Proprietor
Membership No. 116817
Place : Ahmedabad
Date : September 25, 2019

Sd/-

Guru Prasanna Sahoo
Managing Director
DIN: 06923965

Sd/-

Shivananda
Whole Time Director
DIN: 06923953

Nilshikhaa Projects Limited

Annexure 2: Restated Summary Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Annexure	For the year ended 31 March		
		2019	2018	2017
Revenue	22 23			
Revenue from operations		16,374.09	10,352.90	9,128.11
Other income		62.69	58.75	68.62
Total revenue		16,436.79	10,411.64	9,196.73
Expenses	24 25 26 27 28 29			
Cost of materials consumed		1,053.76	-	-
Purchase (Project division)		10,902.06	7228.06	5789.69
Direct Cost		2243.77	1405.29	1645.39
Change in inventory		(1,075.22)	(150.53)	(161.25)
Employee benefits expense		1,001.90	1,005.00	679.60
Finance costs		325.40	157.59	192.18
Depreciation and amortisation expense		124.33	54.96	39.67
Other expenses		522.66	263.32	706.81
Total expenses		15,098.66	9,963.70	8,892.09
Profit before tax		1,338.13	447.94	304.64
Tax expense				
Current tax		395.80	129.99	115.63
Deferred tax (credit)/charge		9.50	(5.90)	(15.11)
Previous Year tax		-	-	-
Profit for the period / year		932.83	323.85	204.11
Earnings per Equity Share				
Basic & diluted		4.95	2.59	1.71

Note:

The above statement should be read with the Notes to the Restated summary statement of Assets & Liabilities, cash flows and significant Accounting Policies in Annexure 1, 3 and 4B.

As per our report of even date attached

For M/s. Nitin K Shah & Co
Chartered Accountants
Firm Registration No.: 107140W

For and on behalf of the Board of Directors
of Nilshikhaa Projects Limited

Sd/-
CA Vaibhav Shah
Proprietor
Membership No. 116817

Place : Ahmedabad
Date : September 25, 2019

Sd/-
Guru Prasanna Sahoo
Managing Director
DIN: 06923965

Sd/-
Shivananda
Whole Time Director
DIN: 06923953

Nilshikhaa Projects Limited

Annexure 3: Restated Summary Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the year ended 31 March		
	2019	2018	2017
A. Cash flow from operating activities			
Profit before tax, as restated	1,338.13	447.94	304.64
Adjustments for :			
Depreciation and amortisation expense	124.33	54.96	39.67
Finance costs	344.88	157.59	192.18
Bad debts written off	-	-	-
Gratuity Provision(Long Term)	21.27	10.66	7.99
Credit balances written back	-	-	-
(Profit) / Loss on the Sale of Fixed Assets	-	-	0.89
Tax Expenses of Partnership Firm	-	-	-
Finance Income	(62.69)	(58.75)	(69.51)
Operating profit before working capital changes	1,765.92	612.41	475.86
Changes in working capital:			
Increase / (decrease) in trade payables, liabilities and provisions	2,438.17	(382.98)	2,304.29
(Increase) / decrease in trade receivables	(2,355.00)	1,357.76	(2,511.42)
(Increase) / decrease in loans and advances and other assets	(710.79)	(1,190.20)	(89.58)
Cash generated from / (utilised in) operations	1,138.29	397.00	179.15
Less : Income tax*	(395.80)	(129.99)	(115.63)
Net cash flow generated from/ (utilised in) operating activities (A)	742.49	267.01	63.52
B. Cash flow from investing activities			
Sale of property, plant and equipment (including intangible assets and intangible assets under development)	-	-	2.15
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(1,016.11)	(134.67)	(21.50)
Investments on Fixed Deposits having maturity of more than 12 months	(375.97)	(338.29)	(251.50)
Interest received	62.69	58.75	67.79
Proceeds from Mutual funds	42.32	(285.86)	11.91
Security Deposits	(7.67)	0.14	(0.56)
Dividend received	-	-	-
Net cash flow utilised in investing activities (B)	(1,294.73)	(699.93)	(191.71)
C. Cash flow from financing activities			
Repayment of long-term borrowings			
Proceeds of long-term borrowings	(40.72)	356.93	(28.99)
Dividend paid	-	-	-
Proceeds from / (repayment of) short-term borrowings (net)	34.26	-	273.02
Financial Expenses	(344.88)	(157.59)	(192.18)
Proceeds from issuance of shares	700.00	204.82	100.00
Net cash flow generated from/ (utilised in) financing activities (C)	348.66	404.16	151.84
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	(203.58)	(28.76)	23.65
Cash and cash equivalents at the beginning of the period/ year	591.32	620.08	596.43
Cash and cash equivalents at the end of the period/ year	387.74	591.32	620.08
(Refer Annexure 19)			

Note:

The above statement should be read with the Notes to the Restated summary statement of Assets & Liabilities, profit & loss and significant Accounting Policies in Annexure 1, 3 and 4B.

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

As per our report of even date attached

For and on behalf of the Board of Directors

of Nilshikhaa Projects Limited

For M/s. Nitin K Shah & Co
Chartered Accountants
Firm Registration No.: 107140W

Sd/-

CA Vaibhav Shah
Proprietor
Membership No. 116817

Sd/-

Guru Prasanna Sahoo
Managing Director
DIN: 06923965

Sd/-

Shivananda
Whole Time Director
DIN: 06923953

Place : Ahmedabad
Date : September 25, 2019

THE OFFER

The following table summarizes the Offer details:

Particulars	Details of Equity Shares
Offer of Equity Shares by Our Company ⁽¹⁾	Offer of upto 75,00,000* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs ⁽²⁾
<i>Of Which</i>	
Fresh Issue	Upto 39,96,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs
Offer for sale	Upto 35,04,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs ⁽³⁾ .
<i>The Offer Consists of:</i>	
Market Maker Reservation Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per Equity share aggregating Rs. [●] Lakhs.
Net Offer to the Public	Upto [●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●] /- per share aggregating Rs. [●] Lakhs.
<i>Of Which</i>	
A. QIB Portion^{(4), (5)}	No Equity shares shall be reserved for allocation to QIBs.**
B. Retail Portion^{(4), (5)}	Upto [●] Equity Shares of face value of Rs. 10/- each.
C. Non-Institutional Portion^{(4), (5)}	Upto [●] Equity Shares of face value of Rs. 10/- each.
Pre and Post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	2,10,00,000 Equity Shares of face value of Rs.10/- each.
Equity Shares outstanding after the Offer	Upto [●] Equity Shares of face value of Rs.10/- each.
Utilization of proceeds of this Offer	For details, please refer chapter titled “ <i>Objects of the Offer</i> ” beginning on page 83 of this Draft Red Herring Prospectus for information on use of Offer Proceeds.

*Number of shares may need to be adjusted for lot size upon determination of Offer price.

**There are no equity shares reserved for allocation to QIB Portion. However, QIBs can apply in the Non-Institutional Portion.

Notes:-

- 1) The Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The present Offer is being made by our Company in terms of Regulation 229(2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Offer paid-up equity share capital of our Company are being offered to the public for subscription.
- 2) The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on September 14, 2019 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on September 20, 2019.
- 3) The selling shareholders specifically confirm that the Offered Shares are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations. The Offer for Sale has

been authorized by the Selling Shareholders by way of consent letters, the details of which are as follows:

Sr. No.	Name of the Selling Shareholders	No. of Equity Shares Offered	Date of consent letter
1.	Arvind Kumar Tripathi	Up to 8,00,000 Equity Shares	September 14, 2019
2.	Jagdish Kumar	Up to 8,00,000 Equity Shares	September 14, 2019
3.	Guru Prasanna Sahoo	Up to 8,00,000 Equity Shares	September 14, 2019
4.	Shivananda	Up to 8,00,000 Equity Shares	September 14, 2019
5.	Niharika Sahoo	Up to 3,04,000 Equity Shares	September 14, 2019

- 4) *The SEBI ICDR Regulations permit the Offer of securities to the public through the Book Building Process, wherein not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs. 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 on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Offer Price. For further details, see "Offer Procedure" beginning on page 229 of this Draft Red Herring Prospectus.*
- 5) *Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Also, pursuant to the SEBI ICDR Regulations in case if the Retail Individual Investors category is entitled to more than the allocated portion on proportionate basis, the Retail category shall be allotted that higher percentage.*
- 6) *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.*

For further details please refer to section titled '*Offer Information*' beginning on page 221 of this Draft Red Herring Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Nilshikhaa Infraa” a partnership firm formed and registered under the provisions of the Partnership Act, 1932 (Reg. No. – 03/27/03/00065/14) on September 27, 2013. Subsequently, the partnership firm was converted into Public Limited Company and the name was changed to “Nilshikhaa Infraa India Limited” on August 30, 2016 under the provisions of Companies Act, 2013 vide certificate of incorporation issued by the central registration centre on behalf of Registrar of Companies, Gwalior, Madhya Pradesh. Further, pursuant to special resolution passed by the shareholders of our Company at the Extra-ordinary General Meeting held on August 17, 2019, the name of the Company was changed to “Nilshikhaa Projects Limited” under the provisions of Companies Act, 2013 and a fresh certificate of incorporation dated September 12, 2019 was issued by the Registrar of Companies, Gwalior, Madhya Pradesh. The CIN of the Company is U74999MP2016PLC041388.

For further details, please refer to the chapter titled '***History and Certain Corporate Matters***' beginning on page no. 148 of this DRHP.

Registered Office of our Company	
CIN	U74999MP2016PLC041388
Registered Office	R- 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh – 452001.
Manufacturing Unit - 1	39, 40, 41-A, 41-B, 42, 43-A Industrial Area, Electronic Complex, Pardeshipura, Indore, Madhya Pradesh.
Tel No.	731-4077760
Email Id	info@niindia.in
Website	http://www.niindia.in
Contact Person	Guru Prasanna Sahoo

Address of the Registrar of Companies	
Address	Registrar of Companies, 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior, Madhya Pradesh.
Tel No.	0751-2321907
Fax No.	0751-2331853
Email Id	roc.gwalior@mca.gov.in
Website	www.mca.gov.in

DESIGNATED STOCK EXCHANGE

Our Company proposed to list its Equity Shares on EMERGE Platform of National Stock Exchange of India Ltd.

Address	National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Email Id.	emerge@nse.co.in
Website	www.nseindia.com

OUR BOARD OF DIRECTORS

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

Sr. No.	Name	Designation	Age	DIN	Address
1.	Guru Prasanna Sahoo	Managing Director	41	06923965	15-16 Lakshya Vihar, Kanadiya, Indore. 452016. Madhya Pradesh.
2.	Arvind Kumar Tripathi	Chariman and Wholetime Director	45	06923959	37 Empair Estate Bicholi Mardana Indore 452016 Madhya Pradesh.
3.	Jagdish Kumar	Wholetime Director	43	06923966	29, Emerald Villa Vayu Enclave Silver Spring Phase 2 Mundla Nayta Indore 452020 Madhya Pradesh.
4.	Shivananda	Wholetime Director	41	06923953	26, Shrikant Palace Colony Bicholi Hapsi Road Kanadia Indore 452016. Madhya Pradesh.
5.	Omachyutam Singh Chauhan	Independent Director	51	06392876	Daily College Business School Daily College Campus residency, Area Ind Ore Indore 452001. Madhya Pradesh.
6.	Mukesh Vyas	Independent Director	60	08425231	30 Lakshya Vihar Kanadiya Road Near Sanchet Nagar Indore 452016. Madhya Pradesh.
7.	Barkha Deshmukh	Independent Director	25	08562935	199, Gusa Parekh ni Pole, Rangati Bazar, Astodia, Ahmedabad 380001.

For detailed profile of our Board of Directors, refer to chapter titled '***Our Management***' on page no. 153 of this DRHP.

COMPANY SECRETARY & COMPLIANCE OFFICER

Name	Aarti Thakur
Address	R- 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh – 452001
Tel No.	731-4077760
Email Id	cs@niindia.in
CS Membership No.	49748

Chief Financial Officer

Name	Amit Kumar Gautam
Address	R- 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh – 452001
Tel No.	0731-4077760
Email Id	cfo@niindia.in

Note:

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e. *Link Intime India Private Limited* and/ or the Book Running Lead Managers, i.e. Marwadi Shares and Finance Limited and Pantomath Capital Advisors Private Limited, in case of any pre-offer or post-offer related problems, such as non-receipt of letters of Allotment, non-

credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All offer related grievances relating to 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. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs bidding through the UPI Mechanism.

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

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

All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Managers, who shall respond to the same.

BOOK RUNNING LEAD MANAGERS FOR THE OFFER

Name	MARWADI SHARES AND FINANCE LIMITED
Registered Office	Marwadi Financial Plaza, Nana Mava Main Road, Off. 150 feet Ring Road, Rajkot - 360001, Gujarat.
Correspondence Address	Amazone Corporate Park, Part - 4, B/h. Navrangpura Post Office, Choice Restaurant Lane, Off. C.G. Road, Navrangpura, Ahmedabad - 380009. Gujarat.
Tel No.	079 – 2644 7311
Fax No.	NA
Email Id	shivam.patel@marwadigroup.in
Contact Person	Mr. Shivam Patel
Website	https://www.marwadionline.com/
SEBI Registration No.	INM000012235
CIN	U65910GJ1992PLC017544

Name	PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
Registered Office	406-408, Keshava Premises, Bandra Kurla Complex, Bandra East, Mumbai – 400 051.
Tel No.	022 – 6194 6700
Fax No.	022 2659 8690
Email Id	ipo@pantomathgroup.com
Contact Person	Mr. Unmesh Zagade
Website	www.pantomathgroup.com
SEBI Registration No.	INM000012110
CIN	U74120MH2013PTC248061

REGISTRAR TO THE OFFER

Name	Link Intime India Private Limited
Address	C 101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400083

Tel No.	022 - 4918 6200
Fax No.	022-49186195
Email Id	nilshikha.ipo@linkintime.co.in
Contact Person	Ms. Shanti Gopalkrishnan
Website	https://linkintime.co.in
SEBI Registration No.	INR000004058
CIN	U67190MH1999PTC118368

LEGAL ADVISOR TO THE OFFER

Name	M V Kini, Law Firm
Address	Kini House, Near Citi Bank, D.N. Road, Fort, Mumbai - 400001, Maharashtra, India
Tel No.	+91 22 22612527/28/29
Email Id	vidisha@mvkini.com
Contact Person	Vidisha Krishan
Website	www.mvkini.com

STATUTORY & PEER REVIEW AUDITOR OF THE COMPANY

Name	M/s. Nitin K. Shah & Co., Chartered Accountants
Address	36-38, 3rd Floor, Empire Tower, Near associated Petrol Pump, C.G. Road, Ahmedabad 380006
Tel No.	+91 26560168
Email Id	vshah@icai.org
Contact Person	Vaibhav shah
Membership No.	116817
Firm Registration No.	107140W

M/s. Nitin K. Shah & Co, Chartered Accountants, holds a peer review certificate dated May 18, 2017, valid till May 17, 2020, issued by the Institute of Chartered Accountants of India.

Banker(s) to the Company

Name	[•]
Address	[•]
Tel No.	[•]
Email Id	[•]
Contact Person	[•]
Website	[•]

MARKET MARKER(S) TO THE OFFER

Name	MARWADI SHARES AND FINANCE LIMITED
Registered Office	Marwadi Financial Plaza, Nana Mava Main Road, Off. 150 feet, Ring Road, Rajkot - 360001, Gujarat.
Correspondance Office	Amazone Corporate Park, Part - 4, B/h. Navrangpura Post Office, Choice Restaurant Lane, Off. C.G. Road, Navrangpura, Ahmedabad 380009. Gujarat.
Tel No.	079 – 2644 7311
Fax No.	NA
Email Id	shivam.patel@marwadigroup.in
Contact Person	Mr. Shivam Patel
Website	https://www.marwadionline.com/
SEBI Registration No.	INZ000174730
CIN	U65910GJ1992PLC017544

BANKER(S) TO THE OFFER/ ESCROW COLLECTION BANK/PUBLIC OFFER BANK

Name	[•]
Address	[•]
Tel No.	[•]
Fax No.	[•]
Email Id	[•]
Contact Person	[•]
Website	[•]
SEBI Registration No.	[•]

The Banker(s) to the Offer/ Escrow Collection Bank/Public Offer Bank (s) shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

SPONSOR BANK

Name	[•]
Address	[•]
Tel No.	[•]
Fax No.	[•]
Email Id	[•]
Contact Person	[•]
Website	[•]
SEBI Registration No.	[•]

The Sponsor Bank(s) shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

SYNDICATE MEMBER

Name	[•]
Address	[•]
Tel No.	[•]
Fax No.	[•]
Email Id	[•]
Contact Person	[•]
Website	[•]
SEBI Registration No.	[•]

The Syndicate members (s) shall be appointed prior to filing of the Red Herring Prospectus with the RoC.

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks (SCSB's)

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

Issuer Banks for UPI

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

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on

the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

Credit Rating

This being an Offer of Equity Shares, there is no requirement of credit rating.

Debenture Trustees

This is being an Offer of Equity Shares; the appointment of trustee is not required.

IPO Grading

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

Inter-Se Allocation of Responsibilities

Below mentioned table set forth the inter-se allocation of responsibilities for various activities among the Book Running lead managers to the offer

Sr. No.	Activities	Responsibility	Coordinator
1.	Capital restructuring with the relative components and formalities such as type of instruments, etc.	MSFL & PCAPL	MSFL & PCAPL
2.	Due diligence of the Company's operations/ management/ business plans/ legal, etc. Drafting and design of offer document and of statutory advertisement including memorandum containing salient features of the Draft Red Herring Prospectus. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock exchange(s), RoC and SEBI including finalization of the Draft Red Herring Prospectus and filing with the RoC.	MSFL & PCAPL	MSFL & PCAPL
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	MSFL & PCAPL	PCAPL
4.	Appointment of registrar and other agencies to the Offer.	MSFL & PCAPL	MSFL
5.	Appointment of all other intermediaries including bankers to the Offer, printers, advertising agency etc.	MSFL & PCAPL	MSFL & PCAPL
6.	• Developing marketing strategy which will cover, inter alia	MSFL & PCAPL	MSFL & PCAPL

Sr. No.	Activities	Responsibility	Coordinator
	<ul style="list-style-type: none"> Formulating marketing strategies, preparation of publicity budget; <i>f</i> Finalising media, marketing and public relations strategy; Finalising bidding and collection centres; and <i>f</i> Follow-up on distribution of publicity and Offer material including form, Draft Red Herring Prospectus and deciding on the quantum of the Offer material. 		
7.	Coordination with Stock Exchange for bidding terminals and mock trading.	MSFL & PCAPL	PCAPL
8.	Management of Public Offer Bank account and Refund Bank account and allocation.	MSFL & PCAPL	MSFL & PCAPL
9.	Post bidding activities including coordination for non- institutional allocation, coordination with Registrar and Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post Offer activities of the Offer will involve essential follow up steps, which include finalization of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Offer, Banker to the Offer and the bank handling refund business, unblocking of ASBA funds, etc. The Book Running Lead Managers shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge the responsibility through suitable agreements with the Issuer Company.	MSFL & PCAPL	MSFL & PCAPL

Expert Opinion

Except the report of the Statutory Auditor on statement of tax benefits and report on restated financials for the financial year ended March 31, 2019, 2018 and 2017 as included in this DRHP, our Company has not obtained any expert opinion.

Offer Programme

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

Offer Opening Date	[●]
Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock	[●]
Initiation of Allotment / Refunds / Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock	[●]

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

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Offer Period. On the Offer Closing Date, the Bids and any revision to the same shall be accepted between

10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Managers to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Managers is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

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

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

Appraisal and Monitoring Agency

As per Regulation 262(1) of SEBI (ICDR) Regulations, 2018, the requirement of Monitoring Agency is not mandatory if the offer size is below Rs. 10000 Lakhs. Since this Offer Size is only of Rs. [●] Lakhs, our Company has not appointed any monitoring agency for this Offer. However, as per the SEBI (LODR) Regulations, 2015 to be entered into with NSE upon listing of the Equity Shares and the corporate governance requirements, inter-alia, the audit committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

Filing of Draft Offer Document

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

A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior, Madhya Pradesh.

Withdrawal of the Offer

Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right not to proceed with the Offer at any time before the Offer Opening Date without assigning any reason thereof.

If our Company withdraws the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Offer Closing Date, providing reasons for not proceeding with the Offer. The notice of withdrawal will be issued in the same newspapers where the Pre-Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

The Book Running Lead Managers, through the Registrar to the Offer, will instruct the SCSBs or Sponsor Bank to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Offer after the Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh DRHP with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the DRHP, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

Book Building Process

Book building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band has been determined by our Company and Selling Shareholders in consultation with the BRLMs in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, [●], all editions of a widely circulated Hindi Newspaper, [●] and a [●] edition of widely circulated Hindi Newspaper, [●], Hindi being the regional language of Madhya Pradesh, where our registered office is situated at least two working days prior to the Bid/Offer Opening date. The Offer Price has been determined by our Company and Selling Shareholders in consultation with the BRLMs in accordance with the Book Building Process after the Bid/Offer Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Managers in this case being Marwadi Shares And Finance Limited and Pantomath Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) was appointed by the BRLMs;
- The Registrar to the Offer and;
- The Designated Intermediaries

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Offer.

For further details on the method and procedure for Bidding, please see section entitled “*Offer Procedure*” on page 229 of this DRHP.

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Offer) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20.00 to Rs.24.00 per equity share, offer 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 bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Bid 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 shares is the price at which the book cuts off, i.e., Rs. 22/- in the above example. The issuer and Selling shareholders, in consultation with the Book Running Lead

Managers will finalize the offer price at or below such cut-off price, i.e., at or below Rs.22/- . All bids at or above this offer price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “Offer Procedure” on page 229. of this DRHP);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depositary Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this DRHP and in the Bid cum Application Form.

Underwriting Agreement

This Offer is 100% Underwritten. The Underwriting agreement is dated [●] Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Offer:

Details of the Underwriters	No. of Equity Shares underwritten	Amount Underwritten (Rs. in lacs)	% of the total Offer Size Underwritten
MARWADI SHARES AND FINANCE LIMITED Tel No. : 079- 2644 7311 Email : shivam.patel@marwadigroup.in Investor Grievance Email: merchantbanking@marwadionline.in Website: https://www.marwadionline.com/ Contact Person: Mr. Shivam Patel SEBI Registration No. INM000012235 CIN No: U65910GJ1992PLC017544	[●]	[●]	[●]
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED Tel No. : 022 – 6194 6700 Email : ipo@pantomathgroup.com Investor Grievance Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com Contact Person: Mr. Unmesh Zagage SEBI Registration No. INM000012110 CIN No: U74120MH2013PTC248061	[●]	[●]	[●]

Details of the Underwriters	No. of Equity Shares underwritten	Amount Underwritten (Rs. in lacs)	% of the total Offer Size Underwritten
Total	[●]	[●]	[●]

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

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

The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

Changes in Auditors during Last Three Financial Years

Except as mentioned below, there have been no changes in the Auditors in last three financial years preceding the date of this DRHP.

S.No.	Particulars of previous Auditor	Particulars of new Auditor	Effective Date	Reason
1	Khandelwal Agarwal & Associates, Chartered Accountants 305, Princes Business Skypark, Pu-3, Scheme No.54, Ab Road Opp. Orbit Mall, Indore, Madhya Pradesh – 452010 Tel: +91 07314042245 Email: arvindkhandelwal@gmail.com Website: NA Contact Person: Arvind Khandelwal Firm Registration No: 118460W Membership No: 104325	M/s Nitin K Shah & Co. Chartered Accountant 36-38, 3 rd Floor, Empire Tower, Near associated Petrol Pump, C.G. Road, Ahmedabad 380006 Tel: +91 26560168 Email: vshah@icai.org Website: NA Contact Person: Vaibhav Shah Firm Registration No: 107140W Membership No: 116817 Peer Review Number: 009935	September 14, 2019	Resignation due to not having a valid Peer Review Certificate

Details of the Market Making Arrangement for the Offer

Our Company and the Book Running Lead Managers have entered into an agreement dated September 25, 2019, with the Market Maker – Marwadi Shares and Finance Limited, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2009, and its amendments thereto and the circulars issued by the National Stock Exchange of India Limited and SEBI regarding this matter from time to time.

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

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

3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25%. (Including the 5% of Equity Shares of the Offer.) Any Equity Shares allotted to Market Maker under this Offer over and above 5% of Offer Size would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
 4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
 5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
 6. There would not be more than 5 (Five) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
 7. On the first day of the listing, there will be pre-opening session (call auction) and thereafter the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
 8. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
 9. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days as per circular no. CIR/MRD/DP/02/2012 dated January 20, 2012.
 10. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
 11. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Book Running Lead Managers, who shall then be responsible to appoint a replacement Market Maker(s).
- In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Managers to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Book Running Lead Managers reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding 5 (Five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.
12. **Risk containment measures and monitoring for Market Makers:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
 13. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
 14. In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012; it was decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Offer size in the following manner:

Offer Size	Buy quote exemption threshold (<i>including mandatory initial inventory of 5% of offer size</i>)	Re-entry threshold for buy quotes (<i>including mandatory initial inventory of 5% of offer size</i>)
Up to Rs. 20 Crores	25%	24%
Rs. 20 Crores to Rs. 50 Crores	20%	19%
Rs. 50 Crores to Rs. 80 Crores	15%	14%
Above Rs. 80 Crores	12%	11%

15. Punitive Action in case of default by Market Makers: National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities/ trading membership.

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

CAPITAL STRUCTURE

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

(Amt - Rs. In lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at offer price*
A.	Authorized Share Capital		
	2,50,00,000 Equity Shares of Rs. 10/- each	25,00	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Offer		
	2,10,00,000 Equity Shares of Rs. 10/- each	21,00	-
C.	Present offer in terms of this DRHP*		
	Offer of upto 75,00,000 Equity Shares of face value of Rs. 10/- each at Offer price of Rs. [●]/- per Equity Share	[●]	[●]
	Which comprises:		
	Fresh Issue of upto 39,96,000 equity shares and	[●]	[●]
	Offer for sale of upto 35,04,000 equity shares	[●]	[●]
	Of which :		
	(a) Reservation for Market Maker(s) [●] Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share	[●]	[●]
	(b) Net offer to the Public of [●] Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share	[●]	[●]
	Of the Net offer to the Public :		
	Retail portion of not less than 35 % being [●] equity shares	[●]	[●]
	Non-institutional portion of not less than 15 % being [●] equity shares	[●]	[●]
	QIB portion of not more than 50 % being [●] equity shares	[●]	[●]
D.	Issued, Subscribed and Paid-up Share Capital after the Offer		
	[●] Equity Shares of Rs. 10/- each		
E.	Securities Premium Account		
	Before the offer		Nil
	After the offer		[●]

* To be included upon finalisation of Offer Price.

The Present Offer has been authorized pursuant to a resolution of our Board of Directors dated September 14, 2019 and by Special Resolution passed under Section 23(1)(a) and 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of our shareholders held on September 20, 2019.

Each Selling Shareholder severally and not jointly confirms that the Offered Shares have been held by such Selling Shareholders for a period of at least one year prior to filing of this DRHP in accordance

with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations.

Guru Prasanna Sahoo, vide a consent letter dated September 14, 2019, conveyed his consent for inclusion of upto 8,00,000 equity shares in the Offer for sale.

Arvind Kumar Tripathi, vide a consent letter dated September 14, 2019, conveyed his consent for inclusion of upto 8,00,000 equity shares in the Offer for sale.

Jagdish Kumar, vide a consent letter dated September 14, 2019, conveyed his consent for inclusion of upto 8,00,000 equity shares in the Offer for sale.

Shivananda, vide a consent letter dated September 14, 2019, conveyed his consent for inclusion of upto 8,00,000 equity shares in the Offer for sale.

Niharika Sahoo, vide a consent letter dated September 14, 2019, conveyed her consent for inclusion of upto 3,04,000 equity shares in the Offer for sale.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorized Share Capital:

Since the incorporation of our Company, the authorized Share Capital of our Company has been altered in the manner set forth below:

Date of the Meeting	Particulars		Type of Meeting
	From	To	
On Incorporation (August 30, 2016)	The authorised share capital of our Company on incorporation comprised of Rs. 12,50,00,000 divided into 1,25,00,000 Equity Shares of Rs. 10 each.		-
October 26, 2017	Rs. 12,50,00,000 consisting of 1,25,00,000 Equity Shares of Rs. 10 each	Rs. 17,50,00,000 consisting of 1,75,00,000 Equity Shares of Rs. 10 each	EGM
July 04, 2018	Rs. 17,50,00,000 consisting of 1,75,00,000 Equity Shares of Rs. 10 each	Rs. 22,50,00,000 consisting of 2,25,00,000 Equity Shares of Rs. 10 each	EGM
August 29, 2019	Rs. 22,50,00,000 consisting of 2,25,00,000 Equity Shares of Rs. 10 each	Rs. 25,00,00,000 consisting of 2,50,00,000 Equity Shares of Rs. 10 each	EGM

2. Share Capital History of the Company

S.r.n.o.	Date of Allotment of Equity Shares	No. of shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash)	Cumulative No. of Equity Shares	Cumulative Share Capital (Rs.)	Nature of Issue/ Reasons for Allotment
1	On incorporation	1,18,01,776	10	10	Other than Cash	1,18,01,776	11,80,17,760	On Subscription to MOA ⁽ⁱ⁾
2	February 01, 2017	1,50,000	10	10	Other than Cash	1,19,51,776	11,95,17,760	Rights Issue ⁽ⁱⁱ⁾
3	December 26, 2017	20,48,224	10	10	Other than Cash	1,40,00,000	14,00,00,000	Rights Issue ⁽ⁱⁱⁱ⁾
4	July 21, 2018	70,00,000	10	10	Other than Cash	2,10,00,000	21,00,00,000	Rights Issue ^(iv)

- i. Initial Subscribers to the Memorandum of Association subscribed 1,18,01,776 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No.	Name of the Subscribers	No. of shares Subscribed
1.	Guru Prasanna Sahoo	27,37,944
2.	Arvind Kumar Tripathi	27,37,944
3.	Jagdish Kumar	27,37,944
4.	Shivananda	25,87,944
5.	Niharika Sahoo	2,50,000
6.	Pooja Tripathi	2,50,000
7.	Sangita Bharti	2,50,000
8.	Prabha TS	2,50,000
	TOTAL	1,18,01,776

- ii. Further Issue of 1,50,000 Equity Shares of face value of Rs. 10/- each fully paid up pursuant to Rights issue through conversion of Unsecured Loan into Equity Shares of face value of Rs. 10/- each at par on February 01, 2017 as per the details given below:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Shivananda	1,50,000
	TOTAL	1,50,000

- iii. Further Issue of 20,48,224 Equity Shares of face value of Rs. 10/- each fully paid up pursuant to Rights Issue through conversion of Unsecured Loan into Equity Shares of face value of Rs. 10/- each at par on December 26, 2017 as per the details given below:

Sr. No.	Name of the Allotees	No. of shares Allotted
1.	Arvind Kumar Tripathi	4,62,056
2.	Guru Prasanna Sahoo	4,62,056
3.	Jagdish Kumar	4,62,056
4.	Shivananda	4,62,056
5.	Niharika Sahoo	50,000
6.	Sangita Bharti	50,000
7.	Pooja Tripathi	50,000
8.	Prabha TS	50,000
	TOTAL	20,48,224

- iv. Further Issue of 70,00,000 Equity Shares of face value of Rs. 10/- each pursuant to Rights Issue through conversion of Unsecured Loan into Equity Shares of face value of Rs. 10/- each fully paid at par on July 21, 2018 as per the details given below :

Sr. No.	Name of the Subscribers	No. of shares Allotted
1.	Arvind Kumar Tripathi	13,00,000
2.	Guru Prasanna Sahoo	13,00,000
3.	Jagdish Kumar	13,00,000
4.	Shivananda	13,00,000
5.	Niharika Sahoo	4,50,000
6.	Sangita Bharti	4,50,000
7.	Pooja Tripathi	4,50,000
8.	Prabha TS	4,50,000
	TOTAL	70,00,000

3. Issue of Equity Shares for consideration other than cash

Except for as mentioned below, our Company has not issued any other equity shares for consideration other than cash.

Date of Allotment	Number of equity shares	Face Value	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to	Name of Allotees	No. of shares allotted

	allotted	(Rs.)			our Company		
On Incorporation	1,18,01,776	10	10	Conversion of partnership firm into company	Expansion of Business	Guru Prasanna Sahoo	27,37,944
						Arvind Kumar Tripathi	27,37,944
						Jagdish Kumar	27,37,944
						Shivananda	25,87,944
						Niharika Sahoo	2,50,000
						Pooja Tripathi	2,50,000
						Sangita Bharti	2,50,000
						Prabha TS	2,50,000
				Total			1,18,01,776
February 01, 2017	1,50,000	10	10			Shivananda	1,50,000
				Total			1,50,000
December 26, 2017	20,48,224	10	10	Conversion of unsecured loan into equity shares allotted pursuant to rights issue to increase the paid-up share capital of the Company.	Conversion of debt into Equity shares to strengthen the financial ratios	Guru Prasanna Sahoo	4,62,056
						Arvind Kumar Tripathi	4,62,056
						Jagdish Kumar	4,62,056
						Shivananda	4,62,056
						Niharika Sahoo	50,000
						Pooja Tripathi	50,000
						Sangita Bharti	50,000
						Prabha TS	50,000
				Total			20,48,224
July 21, 2018	70,00,000	10	10			Guru Prasanna Sahoo	13,00,000
						Arvind Kumar Tripathi	13,00,000
						Jagdish Kumar	13,00,000
						Shivananda	13,00,000
						Niharika Sahoo	4,50,000
						Sangita Bharti	4,50,000
						Pooja Tripathi	4,50,000
						Prabha TS	4,50,000
				Total			70,00,000

4. Issue of Equity Shares pursuant to scheme of Arrangement

As on the date of this DRHP, our Company has not made any allotment of Equity Shares pursuant to any scheme approved under section 391- 394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.

5. Issue of Equity Shares pursuant to ESOP Scheme

Our Company has not issued any equity shares pursuant to Employee Stock Option Scheme.

6. Issue of Equity Shares at price lower than Offer Price

Our Company has not issued any Equity Shares during a period of one year preceding the date of this DRHP at a price lower than the Offer price.

7. Capital Build up of the Promoters

As on the date of this DRHP, our Promoters, Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar and Shivananda together holds 1,80,00,000 Equity Shares of our Company which is 85.72 % of our pre-Offer paid-up capital. None of the Equity shares held by our promoters are subject to any pledge.

A. Guru Prasanna Sahoo

Date of Allotment	No. of Equity Shares Allotted	Face value per Share	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Nature of Consideration	% of the Paid-up Capital	
						Pre-Offer	Post-Offer
On Incorporation	27,37,944	10	10	Subscription to MoA	Other than Cash	13.04	[●]
December 26, 2017	4,62,056	10	10	Rights Issue	Other than Cash	2.20	[●]
July 21, 2018	13,00,000	10	10	Rights Issue	Other than Cash	6.19	[●]
Total	45,00,000					21.43	[●]

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

B. Arvind Kumar Tripathi

Date of Allotment	No. of Equity Shares Allotted	Face value per Share	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transaction	Nature of Consideration	% of the Paid-up Capital	
						Pre-Offer	Post-Offer
On Incorporation	27,37,944	10	10	Subscription to MoA	Other than Cash	13.04	[●]
December 26, 2017	4,62,056	10	10	Rights Issue	Other than Cash	2.20	[●]
July 21, 2018	13,00,000	10	10	Rights Issue	Other than Cash	6.19	[●]
Total	45,00,000					21.43	[●]

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

C. Jagdish Kumar

Date of Allotment	No. of Equity Shares Allotted	Face value per Share	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Nature of Consideration	% of the Paid-up Capital	
						Pre-Offer	Post-Offer
On Incorporation	27,37,944	10	10	Subscription to MoA	Other than Cash	13.04	[●]
December 26, 2017	4,62,056	10	10	Rights Issue	Other than Cash	2.20	[●]
July 21, 2018	13,00,000	10	10	Rights Issue	Other than Cash	6.19	[●]
Total	45,00,000					21.43	[●]

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

D. Shivananda

Date of Allotment	No. of Equity Shares Allotted	Face value per Share	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Nature of Consideration	% of the Paid-up Capital	
						Pre-Offer	Post-Offer
On Incorporation	25,87,944	10	10	Subscription to MoA	Other than Cash	12.32	[●]
February 01, 2017	1,50,000	10	10	Rights Issue	Other than Cash	0.71	[●]
December 26, 2017	4,62,056	10	10	Rights Issue	Other than Cash	2.20	[●]
July 21, 2018	13,00,000	10	10	Rights Issue	Other than Cash	6.19	[●]
Total	45,00,000					21.43	[●]

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

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

None of the Equity Shares held by our Promoters are pledged.

8. Our Shareholding Pattern

The table below represents the current shareholding pattern of our Company as on the date of this DRHP.

Summary Statement – Holding of Specified Securities

Category	Category of Shareholder	No s. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Share holding as a % of total no. of shares	Number of Voting Rights held in Equity shares		Shareholding , as a % assuming full conversion of convertible securities	Number of Locked in shares**		Number of equity shares held in dematerialized form	
						No of Voting Rights (Pre-offer)			No.	As a % of total Shares held		
						Equity Shares	Total as %		No.	As a % of total Shares held		
(A)	Promoter & Promoter Group	8	2,10,00,000	2,10,00,000	100.00	2,10,00,000	100.00	Nil	Nil	Nil	Nil	
(B)	Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C)	Non Promoter- Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(C2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
	Total	8	2,10,00,000	2,10,00,000	100.00	2,10,00,000	100.00	Nil	Nil	Nil	Nil	

Note:-None of the shares are partly paid up.

- None of the shares are underlying Depository Receipts.
- None of the shares are underlying Outstanding Convertible Securities (including warrants).
- None of the shares are/have been pledged.
- All the pre-offer shares would be Dematerialised before filing Red Herring Prospectus with SEBI, Stock Exchange and RoC.

**As on the date of filing of this Draft Red Herring Prospectus 1 equity Share holds 1 vote*

*** All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on Emerge Platform of National stock Exchange of India Limited.*

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

Our Company will file the shareholding pattern of our Company, in the form prescribed under SEBI (LODR) Regulations, 2015, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of Stock Exchange before commencement of trading of such Equity Shares.

9. As on the date of this DRHP, there are no partly paid-up shares/ outstanding convertible securities/ warrants in our Company.
10. As on the date of this Draft Red Herring Proseptus, our company does not have any Preference Share Capital.
11. There are no equity shares against which depository receipts have been issued.
12. Other than the equity shares, there are no other class of securities issued by our Company. The face value of our company is Rs. 10/-.
13. As on the date of filing of this DRHP, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our equity shares.
14. **Particulars of Shareholders of our company holding 1 % or more of the paid-up share capital aggregating to 80 % or more of the paid-up share capital of our company:**

(a) As on the date of this DRHP:

Sr. No.	Name of the Shareholders	No. of Shares	% of the Pre-Offer Capital
1.	Guru Prasanna Sahoo	45,00,000	21.43
2.	Arvind Kumar Tripathi	45,00,000	21.43
3.	Jagdish Kumar	45,00,000	21.43
4.	Shivananda	45,00,000	21.43
5.	Niharika Sahoo	7,50,000	3.57
6.	Sangita Bharti	7,50,000	3.57
7.	Pooja Tripathi	7,50,000	3.57
8.	Prabha TS	7,50,000	3.57
Total		2,10,00,000	100.00

(b) 10 days prior to the date of filing DRHP:

Sr. No.	Name of the Shareholders	No. of Shares	% of the Pre-Offer Capital
1.	Guru Prasanna Sahoo	45,00,000	21.43
2.	Arvind Kumar Tripathi	45,00,000	21.43
3.	Jagdish Kumar	45,00,000	21.43
4.	Shivananda	45,00,000	21.43
5.	Niharika Sahoo	7,50,000	3.57
6.	Sangita Bharti	7,50,000	3.57
7.	Pooja Tripathi	7,50,000	3.57
8.	Prabha TS	7,50,000	3.57
Total		2,10,00,000	100.00

(c) 1 year prior to the date of filing this DRHP:

Sr. No.	Name of the Shareholders	No. of Shares	% of the Pre-Offer Capital
1.	Guru Prasanna Sahoo	45,00,000	21.43
2.	Arvind Kumar Tripathi	45,00,000	21.43
3.	Jagdish Kumar	45,00,000	21.43
4.	Shivananda	45,00,000	21.43
5.	Niharika Sahoo	7,50,000	3.57
6.	Sangita Bharti	7,50,000	3.57
7.	Pooja Tripathi	7,50,000	3.57
8.	Prabha TS	7,50,000	3.57
	Total	2,10,00,000	100.00

(d) 2 years prior to the date of filing this DRHP:

Sr. No.	Name of the Shareholders	No. of Shares	% of the Pre-Offer Capital
1.	Guru Prasanna Sahoo	27,37,944	22.91
2.	Arvind Kumar Tripathi	27,37,944	22.91
3.	Jagdish Kumar	27,37,944	22.91
4.	Shivananda	27,37,944	22.91
5.	Niharika Sahoo	2,50,000	2.09
6.	Sangita Bharti	2,50,000	2.09
7.	Pooja Tripathi	2,50,000	2.09
8.	Prabha TS	2,50,000	2.09
	TOTAL	1,19,51,776	100.00

15. There are no shareholders in the Public category and hence details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares is not applicable.
16. Our Company has not made any public issue of its equity shares or any convertible securities since its incorporation.
17. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of this DRHP until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
18. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed.
19. We have 8 shareholders as on the date of filing of this DRHP.

20. The shareholding pattern of our Company showing the aggregate shareholding of Promoters and Promoter Group before and after the Offer is set forth below:

Sr. No.	Name of the Shareholders	Pre-Offer		Post-Offer	
		No. of equity shares	As a % of Issued Equity	No. of equity shares	As a % of Issued Equity
A Promoters					
1	Guru Prasanna Sahoo	45,00,000	21.43	[●]	[●]
2	Arvind Kumar Tripathi	45,00,000	21.43	[●]	[●]
3	Jagdish Kumar	45,00,000	21.43	[●]	[●]
4	Shivananda	45,00,000	21.43	[●]	[●]
	Total (A)	1,80,00,000	85.72	[●]	[●]
B Promoter Group & Relatives					
5	Niharika Sahoo	7,50,000	3.57	[●]	[●]
6	Sangita Bharti	7,50,000	3.57	[●]	[●]
7	Pooja Tripathi	7,50,000	3.57	[●]	[●]
8	Prabha TS	7,50,000	3.57	[●]	[●]
	Total (B)	30,00,000	14.28	[●]	[●]
C Public					
	Total (C)	Nil	Nil	[●]	[●]
D	TOTAL (A+B+C)	2,10,00,000	100	[●]	[●]

21. During the past 6 (Six) months immediately preceding the date of this DRHP, there are no transactions in our equity shares, which have been purchased/ sold/ transferred by our Promoters, their relatives and associates, persons in Promoter Group [as defined under Regulation 2(1)(pp) of SEBI (ICDR) Regulations, 2018] or the directors of the company which is a Promoter of the Company and/or the Directors of the Company and their relatives.

22. Details of Promoters' contribution and Lock-in

Pursuant to Regulation 236 and 238 of SEBI ICDR Regulations, 2018, an aggregate of 20% of the post-offer equity share capital of our Company ('minimum Promoters' contribution') shall be locked in by our Promoters for a period of 3 (Three) years from the date of Allotment of equity shares issued pursuant to this Offer. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

The Promoters' contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the SEBI (ICDR) Regulations, 2018.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20 % of the post Offer Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Offer.

Promoter Contribution and Lock-in Details For 3 Years

Name of the Promoter	Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Offer	Post-Offer
Guru Prasanna Sahoo	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Arvind Kumar Tripathi	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Jagdish Kumar	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Name of the Promoter	Date of Allotment of Fully Paid-up Shares	No. of Equity Shares Locked-in	Nature of Issue/ Acquisition	FV (Rs.)	Issue Price (Rs.)	% of the Paid-up Capital	
						Pre-Offer	Post-Offer
Shivananda	[●]	[●]	[●]	[●]	[●]	[●]	[●]
	Total	[●]	[●]	[●]	[●]	[●]	[●]

The above table will be updated in the Red Herring Prospectus proposed to be filed with the Registrar of Companies by the Company.

Our Promoters have confirmed to our Company and the BRLMs that the acquisition of Equity Shares held by our Promoters has been financed from their internal accruals, and no loans or financial assistance from any banks or financial institutions have been availed of by them for this purpose.

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

We confirm that the minimum Promoters' contribution of 20% which is subject to lock-in for 3 (Three) years does not consist of:

- a) Equity shares acquired by promoters during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transactions
- b) Equity shares acquired by promoters during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) Equity shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in this Offer;
- d) Equity shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in this Offer upon conversion of Partnership Firm or limited liability partnership.
- e) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are subject to any pledge or Equity shares pledged with any creditor.;
- f) equity shares allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.

All the equity shares of our Company held by the Promoters are in the process of dematerialization.

Equity shares locked-in for one year

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to 20% of the post-offer shareholding of our Company ('minimum Promoters' contribution') locked-in for 3 (Three) years, the balance equity shares, i.e. [●] equity shares, held by the Promoters in excess of minimum Promoters' contribution shall be **locked in for a period of 1 (One) year** from the date of Allotment in the Offer. Further, such lock-in of the equity shares would be created as per the bye laws of the Depositories.

Other requirements in respect of 'lock-in'

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, 2018, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by persons other than the Promoters' prior to the Offer and which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018, may be transferred to any other person holding the Equity Shares (including the Promoter and Promoter group), subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged as a collateral security for a loan granted by any scheduled commercial banks or a public financial institutions or a systematically important non-banking finance company or Housing finance Company subject to the following:

- In terms of Regulation 242 (a) of the SEBI (ICDR) Regulations, 2018 if the specified securities are locked-in in terms of Regulation 238 (a) of the SEBI (ICDR) Regulations, 2018, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and the pledge of specified securities is one of the terms of sanction of the loan;
- If the specified securities are locked-in in terms of Regulation 238(b) of the SEBI (ICDR) Regulations, 2018 and the pledge of specified securities is one of the terms of sanction of the loan.

We further confirm that our Promoters' Contribution of 20 % of the post offer Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India

Other Disclosures:

23. Our Company, our Promoters, our Directors and the Book Running Lead Managers to the Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
24. All the equity shares of our Company are fully paid up as on the date of this DRHP. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
25. Neither the Book Running Lead Managers, Marwadi Shares and Finance Limited and Pantomath Capital Advisors Pvt. Ltd., nor their associates hold any Equity Shares of our Company as on the date of this DRHP. However, the associates or affiliates of BRLMs and the Syndicate members, if any, may subscribe to the offer, either in net QIB category or in the Non-Institutional category as may be applicable to the bidders, where the allocation is on proportionate basis and such subscription may be on their own account or on behalf of their clients.
26. Our Company has not issued any equity shares under Employee Stock Option Scheme or Employee Stock Purchase Scheme.
27. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
28. Our Company has not raised any bridge loan against the proceeds of the Offer.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
30. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
31. An Applicant cannot make an application for more than the number of Equity Shares being issued through the Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
32. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in the Offer.

33. Except for the selling shareholders, none of the Promoters and members of our Promoter Group of our company will participate in this Offer.
34. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this DRHP and the Offer Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
35. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled '***Our Management***' beginning on page no. 153 of this DRHP.
36. None of our Promoters, Promoter Group, Directors and their relatives has entered into any arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of DRHP.
37. No person connected with the Offer shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
38. An oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Offer, as a result of which, the post-offer paid up capital after the Offer would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post offer paid-up capital is locked in.
39. In case of over-subscription in all categories the allocation in the Offer shall be in accordance with the requirements of regulation 268 and its amendments from time to time.
40. Under-subscription, if any, in any portion would be met out of the spillover from other categories at the sole discretion of our Company in consultation with the Book Running Lead Managers and the Designated Stock Exchange.
41. The unsubscribed portion in any reserved category may be added to any other reserved category.
42. The unsubscribed portion, if any after such interse adjustments among the reserved categories shall be added back to the net offer to the public portion.
43. As per RBI regulations, OCBs are not allowed to participate in this Offer.
44. For the details of transactions by our Company with our Promoter Group, Group Entities during the last three financial years i.e. March 2019, 2018 and 2017, refer to the paragraph titled Details of Related Parties Transactions as restated in the chapter titled Financial Statement as Restated beginning on page no. 182 of this DRHP.

OBJECTS OF THE OFFER

The Offer comprises of Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

The Offer for sale

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders. The Selling Shareholders will be entitled to the proceeds of the Offer for Sale after deducting its portion of the Offer related expenses. All expenses in relation to the Offer other than listing fees (which shall be borne by our Company) shall be shared between our Company and the Selling Shareholders in accordance with applicable laws. Selling Shareholders shall reimburse our Company for all expenses incurred by our Company in relation to the Offer for Sale on behalf of such Selling Shareholders.

The Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue (“Net Proceeds”) towards the following objects:

1. To finance establishment of Manufacturing Unit II;
2. Funding the working capital requirement of the Company; and
3. General corporate purposes.

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

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

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

OFFER PROCEEDS

The details of the offer proceeds are set out in the following table:

(Rs in lakhs)

Particulars	Estimated Amount ¹
Gross Proceeds of the Fresh Issue	[●]
Less- Proceeds of the Offer for Sale	[●]
Less- Offer Expenses to be borne by our company	[●]
Net Proceeds of the Fresh Issue (Net proceeds)	[●]

⁽¹⁾To be finalised on determination of the Offer Price and updated in the Prospectus prior to filing with the ROC.

UTILISATION OF NET PROCEEDS

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

Sr. No.	Particulars	Amount (Rs in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1	To finance establishment of Manufacturing Unit II;	400.00	[●]%	[●]%
2	Funding the working capital requirement of the Company	600.00	[●]%	[●]%
3	General corporate purposes ⁽¹⁾	[●]	[●]%	[●]%

⁽¹⁾To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Proposed Schedule of Implementation and Deployment of Funds

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

(₹ *in lakhs*)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019-20)
1	To finance establishment of manufacturing unit II	400.00	400.00
2	Funding the working capital requirement of the Company	600.00	600.00
3	General corporate purposes ⁽¹⁾	[●]	[●]

⁽¹⁾*To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Offer; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

The fund requirements mentioned above for establishment of manufacturing Unit II are based on the internal management estimates of our Company and quotation received from third party. The fund requirements mentioned above except for expansion of our existing Manufacturing Unit II are based on the internal management estimates of our Company, and have not been verified by the Book Running Lead Managers or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Means of Finance

The fund requirements set out for the aforesaid objects of the Fresh Issue are proposed to be met entirely from the Net Proceeds, internal accruals and existing debt financing. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 7(1) (e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

(Amount In Rs. Lakhs)

Sr. No.	Objects of the Offer	Amount Required	IPO Proceeds	Internal Accruals/ Net Worth/Unsecured Loans	Bank Finance
1	To finance establishment of manufacturing unit II;	901.04	400.00	501.04	-
2	Funding the working capital requirement of the Company	5,731.18	600.00	2,331.18	2,800.00
3	General corporate purposes ⁽¹⁾	[●]	[●]	-	-

⁽¹⁾To be finalized on determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

DETAILS OF THE OBJECTS OF THE FRESH ISSUE

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

1. To finance establishment of manufacturing unit II

We are engaged in power transmission and distribution sector. We provides engineering, procurement and construction (“EPC”) services, undertake turnkey projects of government and private institutions under the various Central and state govt. electrification schemes. We are also manufacturers of conductors and cables that are majorly utilized in laying of power transmission and distribution lines and have a manufacturing facility situated at Plot No. 39, 40, 41-A, 41-B, 42, 43-A Electronics Complex, Pardeshipura, Indore – 452003, Madhya Pradesh (Unit I) and Land Survey No. 676/2, 678/1, 678/2/2, 678/3, Patwari Halka No. 49 at Depalpur – Ingoria Road, Village- Baledi, Tehsil- Badnagar, District- Ujjain (Proposed Unit II). We intend to establish our manufacturing facility and propose to utilize an aggregate of Rs. 400.00 lakhs out of Net Proceeds towards establishment of our new facility.

Detailed Cost Estimate:

The total estimated cost towards expansion of existing manufacturing facility is Rs. 901.04 lakhs. The total cost for expansion of proposed Unit II has been estimated by our management in accordance with our business plan approved by our Board of Directors pursuant to its meeting dated September 25, 2019 and quotations received from third party suppliers.

The detailed breakdown of such estimated cost is set forth below.

Particulars	₹ in Lakhs
Factory Shed	435.48
Plant and Machinery	465.56
Total	901.04

Means of finance

The total estimated cost for expansion of manufacturing facility is proposed to be funded as follows

Particulars	₹ in Lakhs
Out of Fresh Issue Proceeds	400.00
Internal Accruals	501.04
Total	901.04

Land:

Land for the proposed expansion of our manufacturing facility is at our premises situated at Land Survey No. 676/2, 678/1, 678/2/2, 678/3, Patwari Halka No. 49 at Depalpur – Ingoria Road, Village- Baledi, Tehsil- Badnagar, District- Ujjain. It has already been acquired by our Company.

Factory Shed:

(Rs in lakhs)

Sr. No	Particulars	Area	Total Amount*
1.	Factory Shed	3 Units of 19100 Sq. ft. each	435.48
	Total		435.48

As per the Quotation received from Sterling Arch, an ISO Certified Company dated September 02, 2019

* All the above amounts are exclusive of applicable taxes.

Plant and Machinery:

(₹ in lakhs)

Sr. No	Description of Equipment	Name of the Vendor	Date of quotation	Qty.	Cost Per Unit	Total Amount*
1.	STM 80+45 MM Dual Core Extrusion Line for PVC/ PE Cable	Supertech Machines Private Limited	September 02, 2019	1	58.20	58.20
2.	120+65 MM Dual Core Extrusion Line for Power Cable			1	114.6	114.60
3.	6+1 Skip Stranding Machine DIN 630 MM	Shrimahalaxmi Engimech Private Limited	September 02, 2019	1	42.00	42.00
4.	Skip Stranding Machine 4+1 1600 MM			1	78.00	78.00
5.	Fork Type Stranding Machine 54 (12+18+24) Individually Driven Cages			1	126.00	126.00
6.	630 MM DIN Standard Dynamically balanced bobbin approx. weight in each- 74 kg			54	0.11	5.96
7.	3+1 Laying Machine		September 03, 2019	1	40.80	40.80
	Total					465.56

* All the above amounts are exclusive of applicable taxes.

The quotations in relation to the above equipment are exclusive of cost of freight, insurance. Such additional cost shall be funded from the Net Proceeds proposed to be utilized towards the purchase of capital equipment or through internal accruals, if required.

No second-hand machinery is proposed to be purchased out of the Net Proceeds of the Offer.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the plant & equipment at the same costs. The quantity of the plant & equipment to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the plant & equipment according to our business requirement of our Company, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

Proposed Schedule of Implementation

Activities	Commencement	Estimated Completion
Acquisition of Land	Already Acquired	
Development of land	November, 2019	December, 2019
Civil Works	January, 2020	July, 2020
Plant & Machinery		
Placement orders	March, 2020	August, 2020
Delivery/Installation at Site	August, 2020	Mid of September, 2020
Trial run	September, 2020	End of September, 2020
Commercial Operation	October, 2020	

2. Funding the working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, unsecured loans and financing from various banks and financial institutions. As on March 31, 2019, the amount outstanding on our Company's working capital facility was ₹ 1,872.04 lakhs as per Restated Financial Information. As on March 31, 2019, our sanctioned working capital facilities comprising fund based limit of ₹ 1884.32 lakhs and non- fund facilities of ₹ 6100.00 lakhs. For further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 199 of the Draft Red Herring Prospectus.

Basis of estimation of working capital requirement

Our Company's existing working capital requirement and funding on the basis of Restated Statements for fiscal 2018 and fiscal 2019 are as stated below:

	Amount (Rs in lakhs)	
Particulars	Fiscal 2018 (Restated)	Fiscal 2019 (Restated)
Current Assets		
Inventories	746.64	1,881.50
Trade receivables	2,796.19	5,151.19
Cash and cash equivalents	591.32	387.74
Other current assets	1,235.74	811.68
Total (A)	5,369.89	8,232.11
Current Liabilities		
Trade Payables	1,625.96	1,631.92
Other current liabilities and short term provisions	1,815.15	2,932.67
Total (B)	3,441.11	4,564.59
Total Working Capital (A)-(B)	1,928.78	3,667.52
Existing Funding Pattern		
Working Capital funding from Banks	561.93	1,872.04
Internal accruals/Net Worth/Unsecured Loan	1,366.85	1795.48

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated September 25, 2019 has approved the business plan for Fiscals 2020. The projected working capital requirements for Fiscal 2020 is stated below:

Amount (Rs. in lakhs)

Particulars	Fiscal 2020 (Estimated)
Current Assets	
Inventories	2,001.53
Trade receivables	4,638.01
Cash and cash equivalents	157.52
Other current assets	1,115.58
Total (A)	7,912.64
Current Liabilities	
Trade Payables	932.63
Other current liabilities and short term provisions	1,248.83
Total (B)	2,181.46
Total Working Capital (A)-(B)	5,731.18
Existing Funding Pattern	
Working Capital funding from Banks	2,800.00
Internal accruals/Net Worth/Unsecured Loans	2,331.18
IPO Proceeds	600.00

Assumption for working capital requirements

Assumptions for Holding Period Levels

(In months)

Particulars	Holding Level for Fiscal 2018 (Restated)	Holding Level for Fiscal 2019 (Restated)	Holding Level for Fiscal 2020 (Estimated)
Current Assets			
Inventories	1.26	1.91	1.50
Trade Receivables	3.29	3.83	2.47
Current Liabilities			
Trade Payables	2.72	1.65	0.70

Justification for “Holding Period” Levels

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

Assets- Current Assets	
Inventories	We have estimated raw material inventory levels of 1.50 months for the financial year 2019-20 as compared to 1.26 months and 1.91 months for financial year 2017-18 and 2018-19 as we aim to maintain our production level to enhance the overall business operations of the company
Trade receivables	Our trade receivables based on our restated financial for financial year 2017-18 and financial year 2018-19 were 3.29 months and 3.83 months respectively. Our Company has anticipated trade receivables of 2.47 in

Assets- Current Assets	
	2019-20. Going ahead the Company is expecting quick realization from our debtors to fund our increased estimated working capital requirements.
Liabilities–Current Liabilities	
Trade Payables	Our creditors based on restated financial information were 2.72 months and 1.65 months for financial year 2017-18 and financial year 2018-19 respectively. We have expected creditors' days of 0.70 for financial year 2019-20. Going forward we expect to prune our creditors days by infusing funds towards working capital from the net issue proceeds.

Our Company proposes to utilize Rs 600.00 lakhs of the Net Proceeds in Fiscal 2020 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2020 will be arranged from existing net worth, unsecured loan, bank loans and internal accruals.

3. General Corporate Purposes

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

- a) strategic initiatives
- b) on-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

OFFER RELATED EXPENSES

The total expenses of the offer are estimated to be approximately Rs. [●] lakhs. The expenses of this offer include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Offer expenses are as follows.

Expenses	Expenses (Rs. in lakhs)¹	Expenses (% of total Offer expenses)	Expenses (% of Gross Offer Proceeds)
Fees payable to the Book Running Lead Managers (including Underwriting commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Legal Advisors	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Fees payable to the Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of offer stationary	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate ²	[●]	[●]	[●]
Brokerage and selling commission payable to Registered Brokers ³	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications	[●]	[●]	[●]

Expenses	Expenses (Rs. in lakhs) ¹	Expenses (% of total Offer expenses)	Expenses (% of Gross Offer Proceeds)
procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs ⁴			
Processing fees to Issuer banks for UPI Mechanism w.r.t application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them ⁵	[●]	[●]	[●]
Others (bankers to the Offer, auditor's fees etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

As on the date of Prospectus our company has incurred ₹ [●] lakhs towards offer related expenses out of internal accruals

¹Will be incorporated at the time of filing of the Prospectus.

²Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs [●]%^ (exclusive of GST)

Portion for NIIs [●]%^ (exclusive of GST)

³Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Offer Price)

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

⁴Registered Brokers, will be entitled to a commission of Rs. [●] (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

⁵SCSBs would be entitled to a processing fee of Rs. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs.

⁶Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of Rs.. [●] (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to them.

BRIDGE FINANCING

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

INTERIM USE OF FUNDS

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

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

MONITORING UTILIZATION OF FUNDS

We have not appointed a monitoring agency to monitor the utilisation of the proceeds of the Offer since the Offer size is less than Rs.10,000 lakhs. Our Board will monitor the utilization of the proceeds of the Offer and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

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

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

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

BASIS FOR OFFER PRICE

The price band/offer price will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers, 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 as described below. Investors should also refer to the sections “Risk Factors” and “Restated Financial Information” and chapters titled “Our Business” beginning on pages 28, 182 and 115 respectively of this Draft Red Herring Prospectus, to have a more informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

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

- Dedicated management and employee base
- Established track record and prequalification
- Quality assurance
- In-house testing lab
- Completion of projects in stipulated timelines

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 115 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Restated Financial Statements of the Company for the financial years ended March 31, 2019, 2018 and 2017 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with SEBI ICDR Regulations. Some of the quantitative factors, which may form the basis for computing the Offer Price, are as follows:

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

Year Ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2019	4.95	3
March 31, 2018	2.59	2
March 31, 2017	1.71	1
Weighted Average		3.62

Notes:

1. *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) ‘Earnings per Share’, notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.*
2. *Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.*
3. *Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.*
4. *Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].*
5. *The figures disclosed above are based on the Restated Financial Statements of our Company.*
2. **Price to Earnings (P/E) ratio in relation to Price Band of Rs. [●] to Rs. [●] per Equity Share of face value Rs. 10 each fully paid up.**

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
P/E ratio based on Basic & Diluted EPS for FY 2018-19	[●]	[●]
P/E ratio based on weighted average EPS	[●]	[●]
Industry P/E Ratio*		
Highest		39.41
Lowest		16.55
Average		25.67

*Industry composite comprises of Techno Electric & Engineering Co. Limited, Sharika Enterprises Limited and GE T&D India Limited.

3. Return on Net worth (RoNW):

Year Ended	RoNW (%)	Weight
March 31, 2019	26.93	3
March 31, 2018	17.69	2
March 31, 2017	15.67	1
Weighted Average		21.97

Notes:

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

4. Net Asset Value (NAV) per Equity Share of face value of Rs. 10 each:

Particulars	Amount Per Share
Net Asset Value per Equity Share as of March 31, 2019 as per Restated Financial Statements	16.49
Net Asset Value per Equity Share after the Offer - At Floor Price	[●]
Net Asset Value per Equity Share after the Offer - At Cap Price	[●]
Offer Price per equity share	[●]

Notes:

1. *Net Asset Value Per Equity Share = Restated net worth, attributable to equity holders at the end of the year/period. / Number of equity shares outstanding as at the end of year/period.*
2. *Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves, if any, as per Restated Financial Statements.*
3. *Offer Price per equity share will be determined on conclusion of Book Building Process and will be updated in the final prospectus to be filed with the Registrar of Companies (ROC).*

5. Comparison with listed industry peers:

Name of the Company	CMP*	Basic EPS	Diluted EPS	PE Ratio	RON W (%)	NAV (per share)	Face Value (per share)	Total Income (Rs. in Lakhs)
Nilshikhaa Projects Limited	[●]	4.95	4.95	[●]	26.93%	16.49	10.00	16436.79
Peer Group								
Techno Electric & Engineering Co. Limited	264.65	16.12	16.12	16.42	12.93%	124.63	2.00	1,04,780.89
Sharika Enterprises Limited	32.50	0.82	0.82	39.41	3.63%	22.70	10.00	2,446.79
GE T&D India Limited	176.00	8.31	8.31	21.19	14.89%	55.77	2.00	4,27,712.00

* CMP for our Company is considered as Offer Price

**Source: www.bseindia.com

Notes:

1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However, the same has been included for broad comparison.
2. The figures for Nilshikhaa Projects Limited is based on the Restated Financial Statements for the year ended March 31, 2019.
3. The figures for the peers are based on the standalone financial statements for the year ended March 31, 2019.
4. Current Market Price (CMP) for Techno Electric & Engineering Co. Limited and GE T&D India Limited is their respective closing market price as on September 27, 2019 on BSE and for Sharika Enterprises Limited is its closing market price as on September 18, 2019 on BSE.
5. NAV per share is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off if any) and as attributable to the owners of the Company.
6. P/E Ratio for Techno Electric & Engineering Co. Limited and GE T&D India Limited has been computed based on their respective closing market price on September 27, 2019 on BSE, and for Sharika Enterprises Limited has been computed based on its closing market price on September 18, 2019 on BSE as divided by the Basic EPS provided.
7. RoNW has been computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off) and as attributable to the owners of the Company.

This is a Book Built Offer and price band for the same shall be published 2 working days before opening of the Offer in English and Hindi National newspapers and one regional newspaper with wide circulation.

For further details see section titled “Risk Factors” beginning on page 28 of this Draft Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Restated Financial Information” beginning on page 182 of this Draft Red Herring Prospectus for more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of Directors,
Nilshikhaa Projects Limited
R-211, Mahalaxmi Nagar,
Near Bombay Hospital, Indore (M.P.) - 452010**

Dear Sir/Ma'am,

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

1. This report is issued in accordance with the terms of our engagement letter dated September 14, 2019.
2. The accompanying Statement of Special Tax Benefits available to the Company and its Shareholders (hereinafter referred to as “the Statement”) under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2018 (hereinafter referred to as the “Income Tax Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax Rules, Circulars and Notifications) has been prepared by the management of the Company in connection with the proposed Offer, which we have initialled for identification purposes.

Management's responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (the “Offer Document”) is the responsibility of the management of the Company and has been approved by the Board of Directors of the Company at its meeting held on September 25 2019, for the purpose set out in paragraph 12 below. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's responsibility

4. Our work has been carried out in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ (Revised 2016) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the special tax benefits available as of March 31, 2019 to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Offering.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements,’ issued by the ICAI

Inherent Limitations

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

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

Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

11. In our opinion, the Statement prepared by the Company presents, in all material respects, the special tax benefits available as of March 31, 2019, to the Company and the shareholders of the Company, in accordance with the Income Tax Regulations & other Indirect Tax Regulations as at the date of our report.

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

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

Restriction on Use

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

For M/s. Nitin K Shah & Co
Chartered Accountants
FRN : 107140W

Sd/-
CA Vaibhav Shah
Proprietor
Membership No.: 116817
Ahmedabad, September 25, 2019

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

A) Direct Taxation:

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

a. Special tax benefits to the company

There are no special tax benefits to the company.

b. Special tax benefit to the shareholder

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

B) Indirect Taxation:

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

1.1. Special tax benefits to the company

There are no special tax benefits to the company.

1.2. Special tax benefit to the shareholder

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

SECTION V – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Offer have verified this information. The data may have been reclassified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 28 and 182 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.

INDIAN POWER SECTOR ANALYSIS:

India has the fifth largest power generation capacity in the world. The country ranks third globally in terms of electricity production. In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power. Electricity production in India reached 108.90 Billion Units (BU) in April 2019.

Renewable energy is fast emerging as a major source of power in India. The Government of India has set a target to achieve 175 GW installed capacity of renewable energy by FY22. Wind energy is the largest source of renewable energy in India, accounting for 47.44 per cent (35.14 GW) (As of Dec 2018) of total installed renewable capacity (74.08 GW) (As of Dec 2018). There are plans to double wind power generation capacity to 60 GW by 2022. India has also raised the solar power generation capacity addition target by five times to 100 GW by 2022. The Union Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 gigawatts (GW) of power through solar rooftop projects by 2022. All the states and union territories of India are on board to fulfil the Government of India's vision of ensuring 24x7 affordable and quality power for all by March 2019. India is on path to achieve 100 per cent household electrification by March 31, 2019, as envisaged under the Saubhagya scheme. As of September 2018, the Government of India launched a voluntary based programme to promote energy efficient chiller systems in India. It labels the energy performance by providing star ratings and will be effective up to December 31, 2020.

The Cabinet Committee on Economic Affairs (CCEA) has approved commercial coal mining for private sector and the methodology of allocating coal mines via auction and allotment, thereby prioritising transparency, ease of doing business and ensuring the use of natural resources for national development. The Government of India is planning to invite bids for the largest solar tender in the world, for installing 20 gigawatts (GW) of solar power capacity, to give a boost to manufacturing of solar power equipment in India.

(Source: Indian Power Sector Analysis - India Brand Equity Foundation - www.ibef.org)

APPROACH TO POWER TRANSMISSION AND DISTRIBUTION INDUSTRY:

Analysis of Power Transmission and Distribution Power Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Power Transmission and Distribution Industry forms part of Power Sector at a macro level. Hence, broad picture of Power Sector should be at preface while analysing the Power Transmission and Distribution Industry.

Power Sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Power Sector is “Power Transmission and Distribution Industry”, which in turn encompasses various segments such as Transmission lines, Sub-stations, Gas Insulated Sub-stations, Urban and rural electrification, Feeder Separations etc. Further manufacturing segment of power Transmission and Distribution Industry includes manufacturing of cables and conductors.

Thus, the micro analysis of such segments should be analysed in the light of “Power Transmission and Distribution Industry” at large. An appropriate view on Power Transmission and Distribution

Industrythen, calls for the overall economic outlook, performance and expectations of Power Sector, position of PowerTransmission and DistributionIndustry and micro analysis thereof.

This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Power SectorIndustry and / or any other industry, may entail legal consequences.

GLOBAL ECONOMIC OVERVIEW:

Table 0.1 : Key Indicators

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

Notes:

NA: Not Available,

a: Provisional estimates,

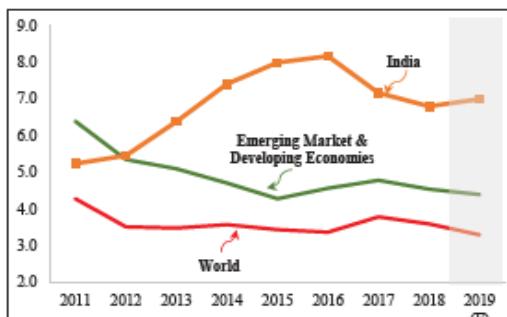
c: (April-December) 2018,

b: Third advance estimate,

d: Provisional Actual

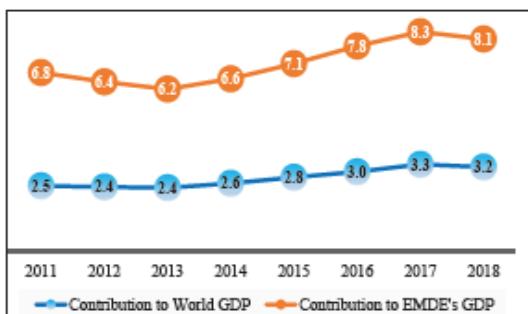
India continues to remain the fastest growing major economy in the world in 2018-19, despite a slight moderation in its GDP growth from 7.2 per cent in 2017-18 to 6.8 per cent in 2018-19. On the other hand, the world output growth declined from 3.8 per cent in 2017 to 3.6 per cent in 2018. The slowdown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

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



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

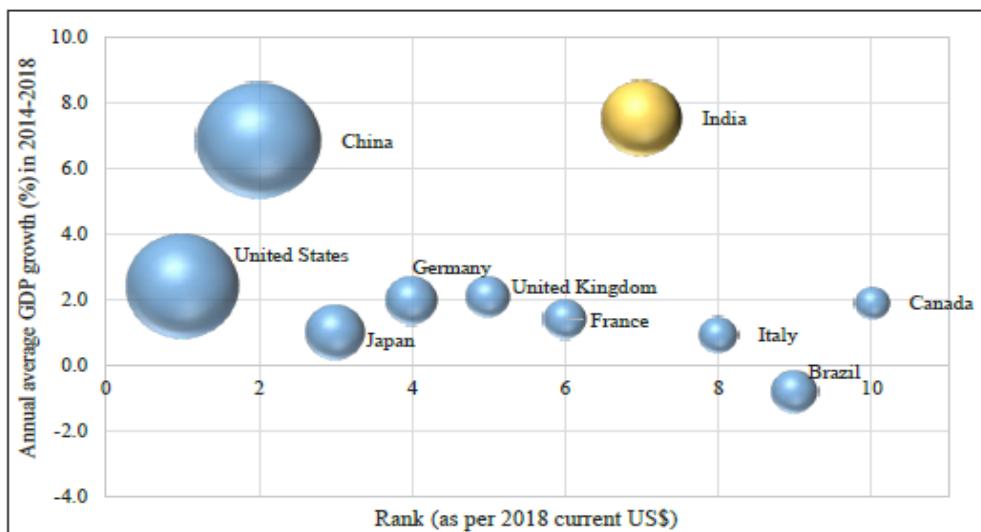
Figure 3: India's share in GDP of EMDEs and World (per cent)



Data source: WEO, April 2019 database

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

Figure 2: Global comparison among top ten economies



Data source: WEO, April 2019 database

Note: For France and Italy GDP of the year 2018 is the estimated figure of International Monetary Fund. Size of circle represents GDP (PPP) at current international dollar terms.

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

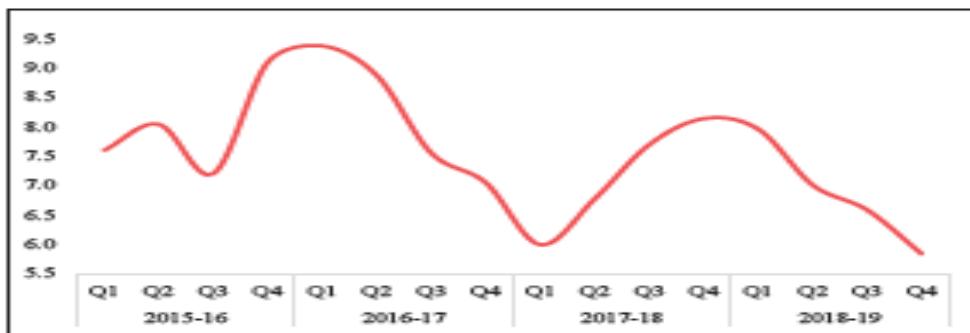
(Source: Economic Survey 2018-19 Volume 2 www.indiabudget.nic.in)

INDIAN ECONOMIC OVERVIEW:

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

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

Figure 4: Quarterly real GDP growth (per cent)



Data source: Central Statistics Office

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

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

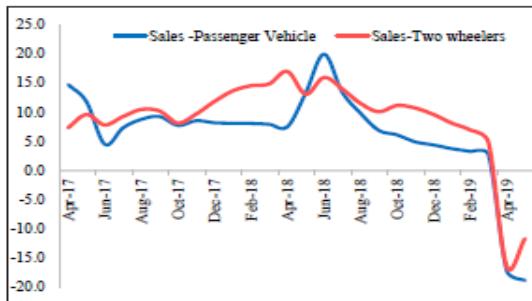
	2017-18				2018-19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Agriculture and allied	4.2	4.5	4.6	6.5	5.1	4.9	2.8	-0.1
Industry	0.8	6.9	8.0	8.1	9.8	6.7	7.0	4.2
(of which) Manufacturing	-1.7	7.1	8.6	9.5	12.1	6.9	6.4	3.1
Services	9.4	6.8	8.0	8.2	7.1	7.3	7.2	8.4
GVA at basic prices	5.9	6.6	7.3	7.9	7.7	6.9	6.3	5.7
GDP at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

Source: Central Statistics Office

From the demand side, the decline in GDP growth during 2018-19 arose primarily from deceleration in private final consumption in the final two quarters. This could have been due to low farm incomes in rural areas arising from low food prices and also due to the stress in NBFCs, which affected its lending. The Q4 of 2018-19 also saw growth of exports declining.

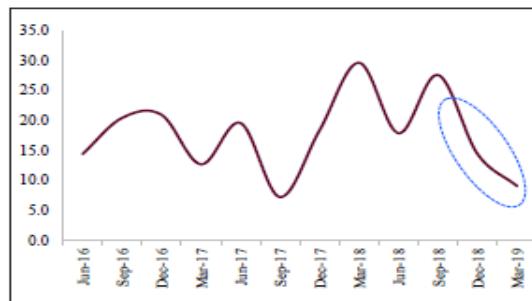
Although growth rate of real GDP was high during the last few years, the coterminous decline in the nominal GDP growth from 2010-11 onwards, points towards a secular decline in inflation. As seen in Figure 7, the gap between nominal and real growth rate has reduced significantly. Thus, the GDP deflator,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

Figure 5: Change in cumulative auto sales (per cent)



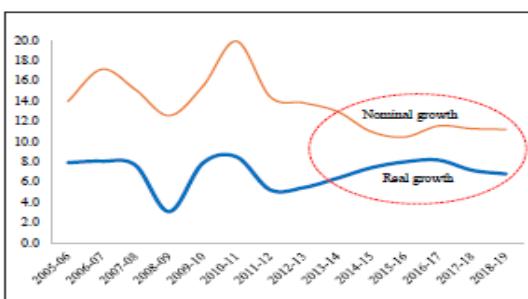
Data source: Society of Indian Automobile Manufacturers
Note: Growth rates (Year on Year) are for cumulative sales from April to respective months of the year.

Figure 6: Growth of loans and advances of NBFCs (per cent)

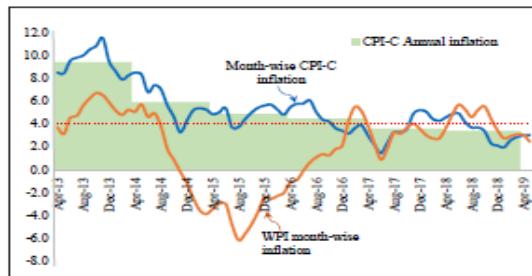


Data source: Reserve Bank of India
Note: Data on loans and advances pertains to deposit taking NBFCs and Non-Demand taking systematic important NBFCs including Government companies; Data from March 2018 onwards are provisional.

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

Figure 7: Growth in GDP (per cent)

Data source: Central Statistics Office

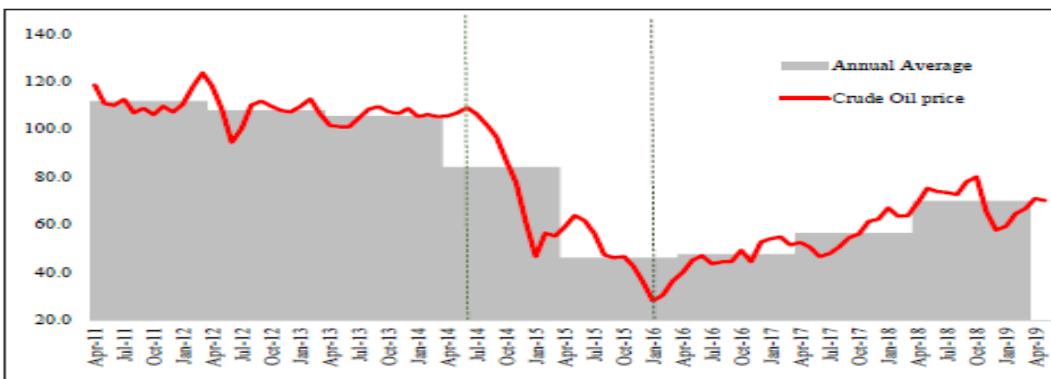
Figure 8: Significant moderation in InflationData source: Central Statistics Office
Note: CPI-C stands for CPI-Combined.

Core Gross Value Added (GVA) (measured as GVA except ‘Agriculture & allied’ activities, and ‘Public administration & defence’) shows higher growth than that of overall GVA in 2018-19. Core GVA growth picked up from 6.5 per cent in 2017-18 to 7.0 per cent in 2018-19, whereas GVA growth slowed down marginally from 6.9 per cent in 2017-18 to 6.6 per cent in 2018-19. For all quarters of 2018-19, the core GVA growth was higher than overall GVA growth, as ‘Agriculture & allied’ and ‘Public administration & defence’ experienced the largest decline in growth rates relative to other sectors. But in Q4 of 2018-19, the growth of core GVA also decelerated by 1 percentage point over previous quarter, largely on account of lower growth in manufacturing sector (Figure 9).

Figure 9: Real GVA and real core GVA growth (per cent)

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

Figure 10: Crude oil price (Indian basket in US\$ per barrel)



Data source: Petroleum Planning & Analysis Cell

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

Figure 11: Current Account Balance (per cent of GDP)

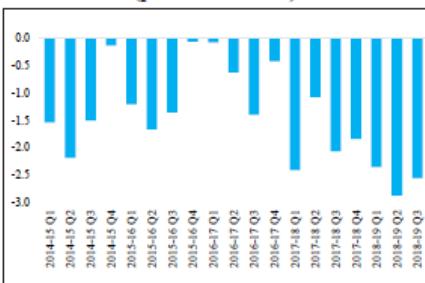
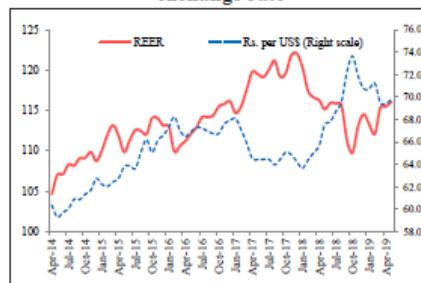
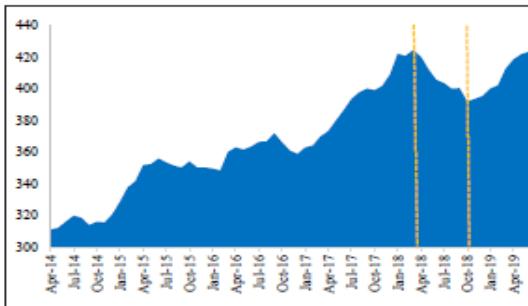


Figure 12: Index of REER and ₹/US\$ exchange rate

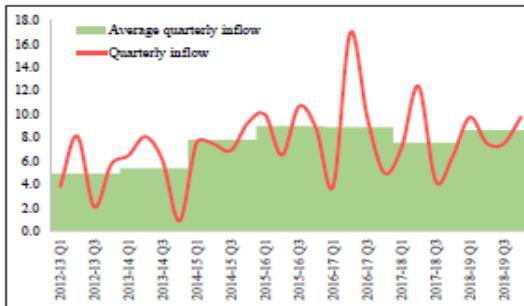


The foreign exchange reserves in nominal terms (including the valuation effects) decreased by US\$ 11.6 billion at end-March 2019 over end-March 2018. Within the year, foreign exchange reserves were declining until October 2018 due to RBI's intervention to modulate exchange rate volatility. India's foreign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

**Figure 13: Foreign Exchange Reserve
(US\$ billion)**



**Figure 14: Net FDI inflows
(US\$ billion)**



Data source: Reserve Bank of India (from figure 11 to 14)

Note: FDI inflow for the fourth quarter of 2018-19 (in Figure 14) is calculated on the basis of information published in the RBI Bulletin – May 2019.

Net Foreign Direct Investment (FDI) inflows grew by 14.2 per cent in 2018-19. Among the top sectors attracting FDI equity inflows, services, automobiles and chemicals were the major categories. By and large, FDI inflows have been growing at a high rate since 2015-16 (Figure 14). This pick-up indicates the improvement in confidence of the foreign investors in the Indian economy.

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

OUTLOOK FOR 2019-20:

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

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

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

NBFC sector spills over to this year as well, it may lead to lower credit offtake from NBFCs, which may dampen growth in consumption spending.

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

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

SERVICES SECTOR IN INDIA:

Introduction

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

Market Size

The services sector is the key driver of India's economic growth. The sector has contributed 54.17 per cent of India's Gross Value Added at current price in 2018-19*. Net service exports stood at US\$ 60.25 billion in April-December 2018 (P). Nikkei India Services Purchasing Managers' Index (PMI) stood at 50.2 in May 2019. The expansion in services activity was driven by boost in capacity and demand along with favourable public policies.

Investments

Some of the developments and major investments by companies in the services sector in the recent past are as follows: Leisure and business travel and tourism spending are expected to increase to US\$ 234.4 billion and US\$ 12.9 billion in 2018, respectively. India's earnings from medical tourism could exceed US\$ 9 billion by 2020. Indian healthcare companies are entering into merger and acquisitions with domestic and foreign companies to drive growth and gain new markets.

Government Initiatives

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others.

The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Central Government increased incentives provided under Services Exports from India Scheme (SEIS) by two per cent. Government of India is working to remove many trade barriers to services and tabled a draft legal text on Trade Facilitation in Services to the WTO in 2017.

Achievements

Following are the achievements of the government in the past four years:

- India's rank jumped to 24 in 2018 from 137 in 2014 on World Bank's Ease of doing business - "Getting Electricity" ranking.

- Five times more growth in major ports' traffic between 2014-18, compared to 2010-14.
- Six-fold increase in Government spending on telecommunications infrastructure and services in the country – from Rs 9,900 crores (US\$ 1.41 billion) during 2009-14 to Rs 60,000 crores (US\$ 8.55 billion) (actual + planned) during 2014-19.
- A total of 11 projects worth Rs 824.80 crore (US\$ 127.98 million) were sanctioned under the Swadesh Darshan scheme.
- Highest ever revenue was generated by Indian IT firms at US\$ 167 billion in 2017-18.

Road Ahead

Services sector growth is governed by both domestic and global factors. The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the US\$19 billion mark supported by booming real estate, retail, and hospitality sectors. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of availability of GST input credit, which will result in the reduction in prices of services.

Exchange Rate Used: INR 1 = US\$ 0.0159 as on March 31, 2019

References: Media Reports, Press Releases, DIPP publication, Press Information Bureau,

Note: P - Provisional, ^As per Motilal Oswal, Q1 2018-19 – April-June 2018, **As per second advance estimates.

(Source: *Indian Service Sector, India Brand Equity Foundation - www.ibef.org*)

MANUFACTURING SECTOR IN INDIA:

Introduction

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

Market Size

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

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

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

- As of May 2018, The Chatterjee Group (TCG) is planning to set up a Continuous Polymerisation (CP) unit and a spinning unit, which will act as forward integrated units for its petrochemicals subsidiary MCPI.

- As of April 2018, Rallis India, a subsidiary of Tata Chemicals, is planning to undertake backward integration as its inputs have become costlier and the move will help the company to ease pressure on its profit margins.
- For its Commercial Vehicles, Ashok Leyland is utilising machine learning algorithms and its newly created telematics unit to improve the performance of the vehicle, driver and so on.

Government Initiatives

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

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

Road Ahead

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

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

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

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

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

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

INDIAN POWER INDUSTRY:

Introduction

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy. India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required. In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power.

Market Size

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). Total installed capacity of power stations in India stood at 356.82 Gigawatt (GW) as of May 2019.

Investment Scenario

Between April 2000 and March 2019, the industry attracted US\$ 14.32 billion in Foreign Direct Investment (FDI), accounting for 3.41 per cent of total FDI inflows in India.

Some major investments and developments in the Indian power sector are as follows:

In November 2018, Renascent Power Ventures Pte Ltd acquired 75.01 per cent stake in Prayagraj Power Generation Company Limited (PPGCL) for US\$ 854.94 million. In August 2018, Kohlberg Kravis Roberts & Co (KKR) acquired Ramky Enviro Engineers Limited for worth US\$ 530 million. In April 2018 ReNew Power made the largest M&A deal by acquiring Ostro Energy for US\$ 1,668.21 million.

Government Initiatives

The Government of India has identified power sector as a key sector of focus so as to promote sustained industrial growth. Some initiatives by the Government of India to boost the Indian power sector:

- As of September 2018, a draft amendment to Electricity Act, 2003 has been introduced. It discusses separation of content & carriage, direct benefit transfer of subsidy, 24*7 Power supply is an obligation, penalisation on violation of PPA, setting up Smart Meter and Prepaid Meters along with regulations related to the same.
- Ujwal Discoms Assurance Yojana (UDAY) was launched by the Government of India to encourage operational and financial turnaround of State-owned Power Distribution Companies (DISCOMS), with an aim to reduce Aggregate Technical & Commercial (AT&C) losses to 15 per cent by FY19.
- As of August 2018, the Ministry of New and Renewable Energy set solar power tariff caps at Rs 2.50 (US\$ 0.04) and Rs 2.68 (US\$ 0.04) unit for developers using domestic and imported solar cells and modules, respectively.
- The Government of India approved National Policy on Biofuels – 2018, the expected benefits of this policy are health benefits, cleaner environment, employment generation, reduced import dependency, boost to infrastructural investment in rural areas and additional income to farmers.

Achievements

Following are the achievements of the government in the past four years:

India's rank jumped to 24 in 2018 from 137 in 2014 on World Bank's Ease of doing business - "Getting Electricity" ranking. Energy deficit reduced to 0.7 per cent in FY18 from 4.2 per cent in FY14. As of

April 28, 2018, 100 per cent village electrification achieved under Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY).

The Road Ahead

The Government of India has released its roadmap to achieve 175 GW capacity in renewable energy by 2022, which includes 100 GW of solar power and 60 GW of wind power. The Union Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 gigawatts (GW) of power through solar rooftop projects by 2022. Coal-based power generation capacity in India, which currently stands at 191.09 (As of May 2019) GW is expected to reach 330-441 GW by 2040##.

India could become the world's first country to use LEDs for all lighting needs by 2019, thereby saving Rs 40,000 crore (US\$ 6.23 billion) on an annual basis. All the states and union territories of India are on board to fulfil the Government of India's vision of ensuring 24x7 affordable and quality power for all by March 2019, as per the Ministry of Power and New & Renewable Energy, Government of India.

Exchange Rate Used: INR 1 = US\$ 0.0159 as on Q4 FY19

References: Media Reports, Press Releases, Press Information Bureau (PIB), PE Roundup – August'18 report by EY

Note: # - BMI Research, CMD, Coal India Limited

ADVANTAGE IN INDIA

Growing Demand

- Expansion in industrial activity to boost demand for electricity.
- Growing population along with increasing electrification and per-capita usage to provide further impetus.
- Power consumption is estimated to reach 1,894.7 TWh in 2022.

Attractive opportunities

- As of June 2019, government launches US\$ 5 billion of transmission-line tenders in phases, to reach 175 GW target till 2022.
- The Government of India is expected to offer nearly 20 power transmission projects worth Rs 16,000 crore (US\$ 2.22 billion) for bidding in 2019.

Higher Investments

- India's power sector is forecasted to attract investments worth Rs 9-9.5 trillion (US\$ 128.24-135.37 billion) between FY19-23.
- Total FDI inflows in the power sector reached US\$ 14.32 billion during Apr 2000 to Mar 2019, accounting for 3.48 per cent of total FDI inflows in India.
- As per economic survey 2018-2019, additional investments in renewable plants up to year 2022 would be about US\$ 80 billion and an investment of around US\$ 250 billion for the period 2023-2030.

Policy Support

- 100 per cent FDI allowed in the power sector has boosted FDI inflows in this sector.
- On April 28, 2018, all un-electrified inhabited census villages have been electrified, supported by schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS).

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

EVOLUTION OF THE INDIAN POWER SECTOR

Before 1956 Introductory Stage

- Electricity (Supply) Act 1948.
- Establishment of semi-autonomous State Electricity Boards (SEBs).

1956-1991 Nationalization Stage

- Industrial Policy Resolution (1956).
- Generation and distribution of power under state ownership.
- Power losses, subsidies, infrastructure bottlenecks and resource constraints.

1991-2003 Liberalization Era

- Legislative and policy initiatives (1991).
- Private sector participation in generation.
- Fast-track clearing mechanism of private investment proposals.
- Electricity Regulatory Commissions Act (1998) for establishing Central and State Electricity Regulatory Commissions and rationalization of tariffs.

2003 onwards Growth Era

- Electricity Act (2003).
- Amendments made in Electricity Act so as to create competition .
- Implementation of Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme for rural and urban areas respectively.
- Implementation of Ujwal DISCOM Assurance Yojana (UDAY) which would enable electrification to all villages and tracking it using the Grameen Vidyutikaran App.
- Amendment in National Tariff Policy (2016) has been made, wherein government is focusing more on sustainable utilisation of renewable energy resources.
- In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power.
- India's rank jumped to 24 in 2018 from 137 in 2014 on World Bank's Ease of Doing Business - "Getting Electricity" ranking.

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

INDIAN POWER SECTOR SNAPSHOT:

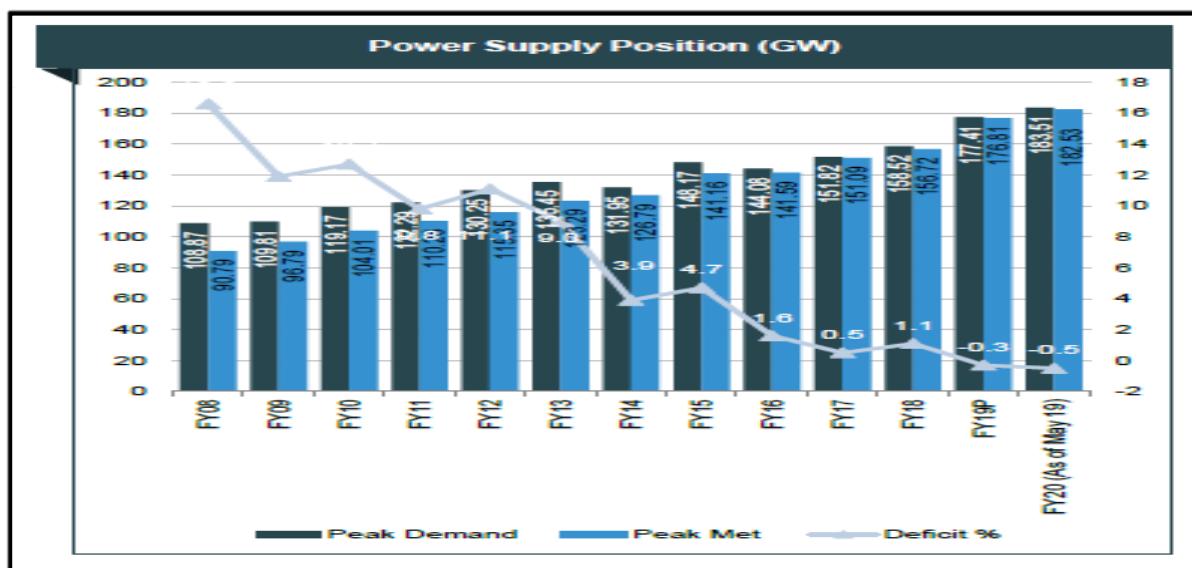
- India is the third largest producer and third largest consumer of electricity in the world, with the installed power capacity reaching 356.82 GW as of May 2019. The country also has the fifth largest installed capacity in the world.
- India is ranked 4th in wind power, 5th in solar power and 5th in renewable power installed capacity as of 2018.
- India is on path to achieve 100 per cent household electrification by March 31, 2019, as envisaged under the Saubhagya scheme.
- As of March 2019, more than 26.2 million households have been electrified under Saubhagya scheme.
- By 2018, a total of 25 states have achieved 100 per cent household electrification which included 23.1 million rural and 844,670 urban households. The remaining households are expected to be electrified by March 2019.

- As of 30 April 2019, India has 78,539 MW installed capacity for renewable energy sources.
- Wind energy is estimated to contribute 60 GW, followed by solar power at 100 GW by 2022 and 15GW from biomass and hydropower. The target for renewable energy has been increased to 175 GW by 2022.
- The government plans to double the share of installed electricity generation capacity of renewable energy to 40 per cent till 2030.
- 100 per cent FDI is allowed under the automatic route in the power segment and renewable energy.

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

INDIAN POWER SECTOR: MARKET WITH ENORMOUS GROWTH POTENTIAL:

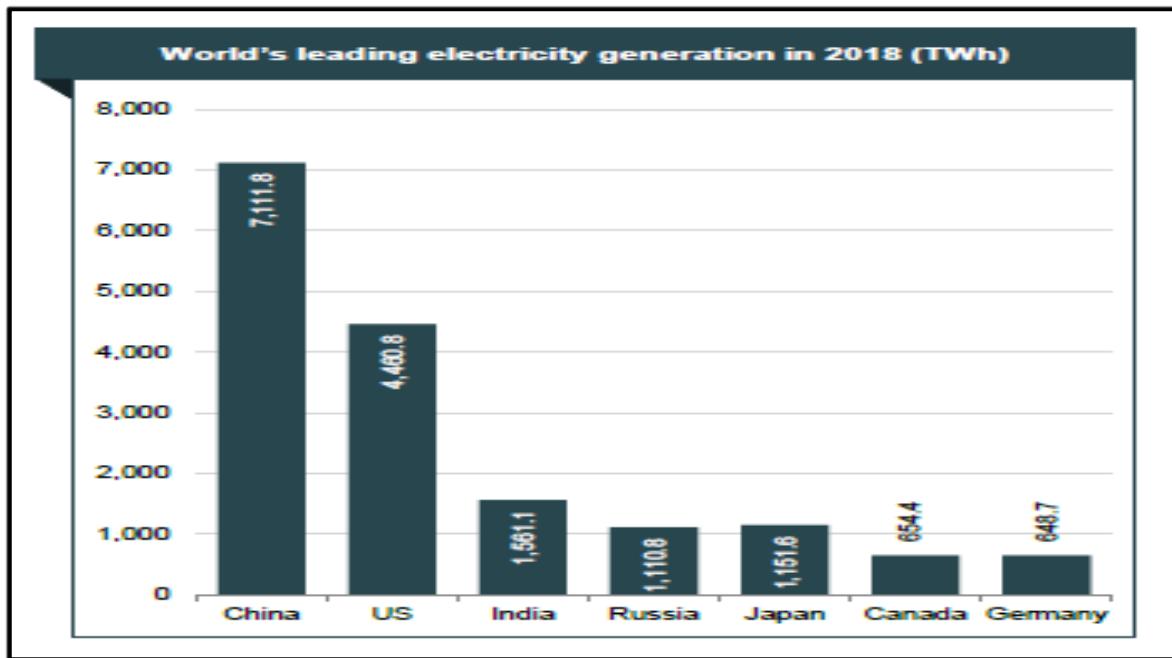
India is forecasted to be a power surplus country by FY19 with peak power surplus at 2.5 per cent. The peak power demand in the country stood at 183.51 GW as of May 2019 (P).



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

INDIA AMONG TOP FOUR POWER GENERATING NATIONS:

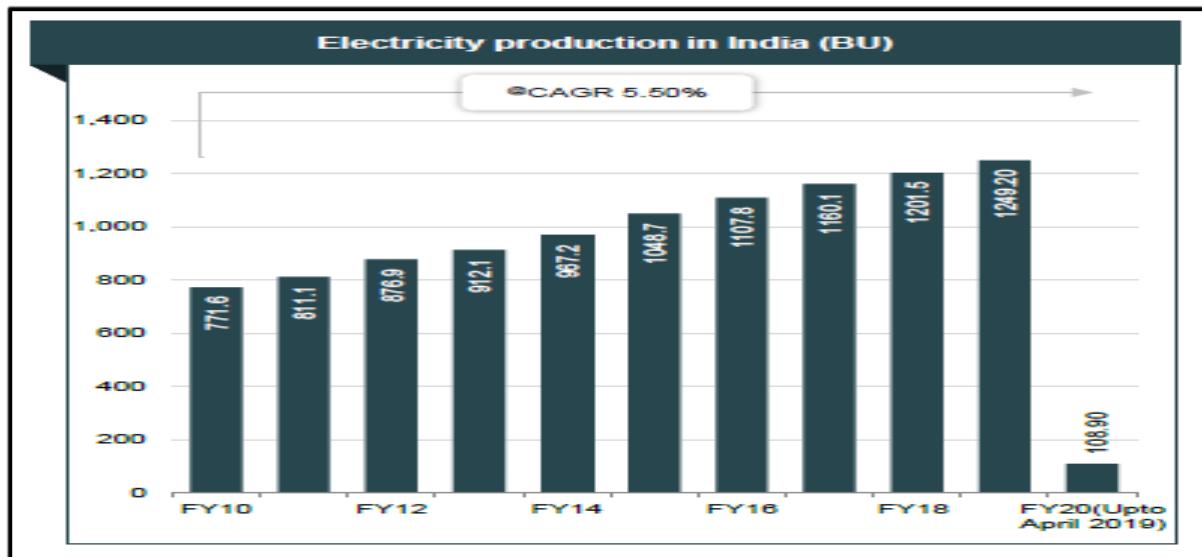
With a generation of 1,561 TWh, India is the third largest producer and the third largest consumer of electricity in the world. Although power generation has grown more than 100-fold since independence, growth in demand has been even higher due to accelerating economic activity. India to become the world's first country to use LEDs for all lighting needs by 2019, thereby saving Rs 40,000 crore (US\$ 6.23 billion) on an annual basis. India's energy firms have made significant progress in the global energy sector, according to the latest S&P Global Platts Top 250 Global Energy Rankings, with 10 out of 14 Indian energy companies making it to the list and RIL and IOC ranking third and seventh, respectively.



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

POWER GENERATION HAS GROWN RAPIDLY OVER THE YEARS

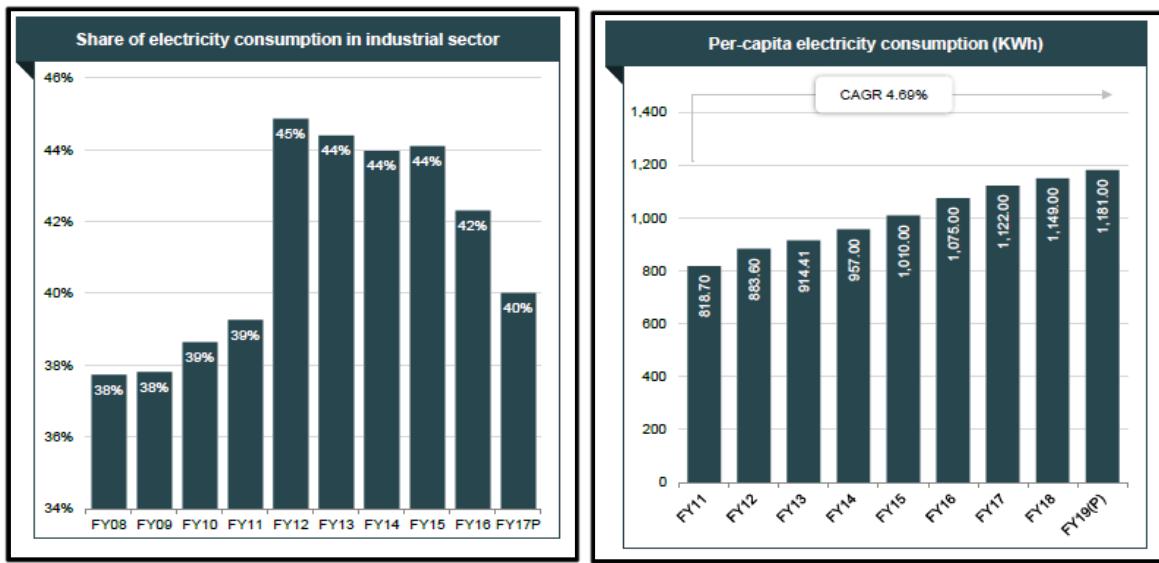
With electricity production of 1,249.20 BU in India in FY19, the country witnessed growth of around 55.72 per cent over the previous fiscal year. Electricity production reached 108.90 BU in FY20 (As of April 19). Over FY10–FY19, electricity production in India grew at a CAGR of 5.50 per cent. All un-electrified inhabited census villages have been electrified on April 28, 2018 ahead of the deadline May 1, 2018.



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

INDUSTRIAL EXPANSION AND STRONG GDP GROWTH DRIVING POWER DEMAND

Multiple drivers (industrial expansion, growing per-capita incomes) are leading to growth in power demand; this is set to continue in the coming years. India is set to become a global manufacturing hub with investments across the value chain. India's power demand is expected to rise to 1,905 TWh by FY22. Industrial sector had a share of 40 per cent of the total electricity consumption in FY16-17P.



Future investments will benefit from strong demand fundamentals, policy support and increasing government focus on infrastructure. Per capita electricity consumption in the country grew at a CAGR of 4.69 per cent, during FY11-FY19, reaching 1,181 KWh in FY19.

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

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 20 of this Draft Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

All financial information included herein is based on our Restated Financial Information beginning on page 182 of this Draft Red Herring Prospectus. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” and “Restated Financial Information” beginning on pages 28, 98, 184 and 182 respectively of this Draft Red Herring Prospectus.

OVERVIEW:

Our Company was originally formed as Partnership firm in the name and style of M/s. Nilshikhaa Infra at Indore, Madhya Pradesh pursuant to deed of partnership dated September 27, 2013. Nilshikhaa Infra was thereafter converted into a Public Limited Company under the Companies Act, 2013 under the name of “Nilshikhaa Infraa India Limited” vide Certificate of Incorporation dated August 30, 2016 issued by the Central Registration Centre bearing Corporate Identification Number U74999MP2016PLC041388. Subsequently, the name of our company was changed to “Nilshikhaa Projects Limited” and a fresh Certificate of Incorporation dated September 12, 2019 was issued by the Registrar of Companies, Gwalior, Madhya Pradesh.

We are in the business of Engineering, Procurement and Construction (“EPC”) contracting focused on power sector. We undertake turnkey projects of government and private institutions under the various Central and state government electrification schemes. Our EPC business primarily operates in the sector of Transmission and Distribution (T&D) under the power infrastructure space. We have recently started manufacturing of conductors and cables that are majorly utilized in laying of power transmission and distribution lines.

Initially, we have been awarded contracts on sub-contract basis. Thereafter, based on the track record of timely completion of projects, our company started participating in the tender as a main contractor. Our Company has undertaken various contracts for Transmission and Distribution from government enterprises such as Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVCL), Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited (MPMKVVCL) Maharashtra State Electricity Transmission Company Limited (MSETCL) and NTPC Limited under Government funded schemes. Our Company also undertakes projects from private enterprises on sub-contract basis.

Since 2013, our company has executed contracts worth Rs. 46,350.00 Lakhs for Construction of New 11 KV Line, LT lines, installation of 25 KVA & 16 KVA - 11/0.4 KV Distribution X-mer, Sub-Station, additional 11 KV Bay, Augmentation of Existing 33/11 KV Sub Station and service Lines for various government schemes including rural electrification to Below Poverty Line (BPL) customers under the schemes of Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), System Strengthening Transmission Distribution Scheme (SSTD Scheme) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) Scheme in Madhya Pradesh, Maharashtra and Odisha.

Our Company has been rated as “CRISIL BBB-/Stable” for long term loan facility and “CRISIL A3” for short term loan facility by “CRISIL Ratings” on December 05, 2018 which is valid till January 01, 2020.

Our total order book as on August 31, 2019 stood at Rs. 13,113.00 Lakhs consisting of 12 projects, of which 7 are Power transmission projects and 5 are Power distribution projects.

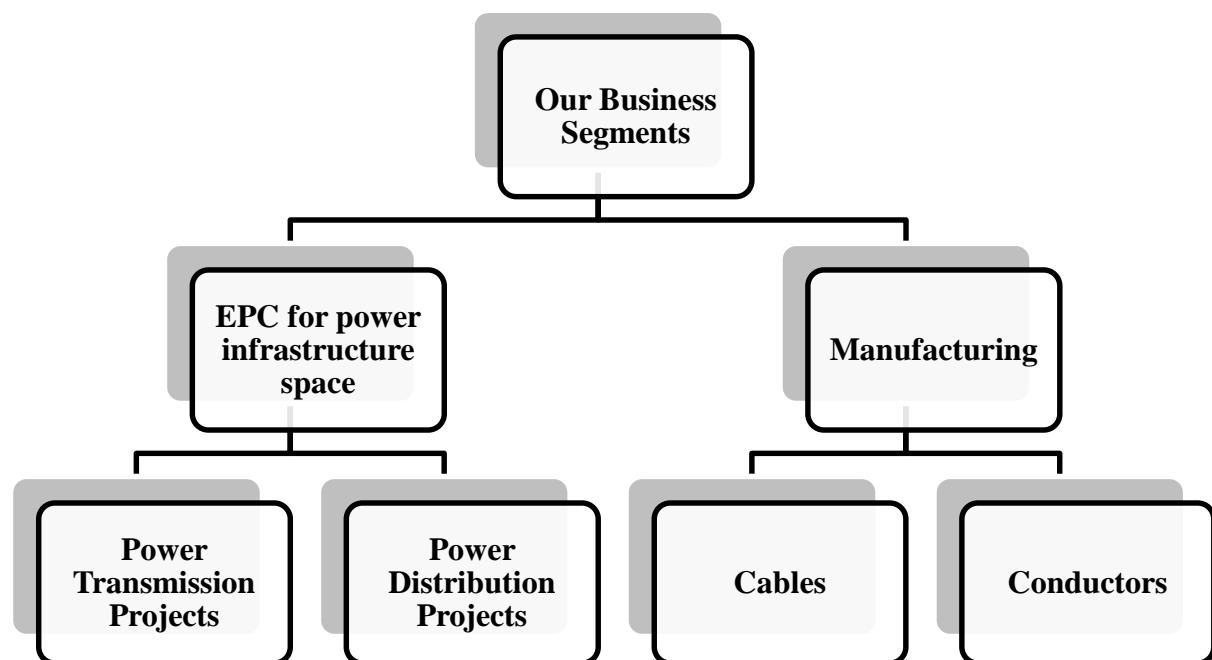
Our company has entered into manufacturing of customized cables and conductors for turnkey projects to provide extending electricity services to our clients. Our company has acquired the running manufacturing unit from M/S. Electro Cable Industries vide Business Transfer Agreement dated August 16, 2018. Our manufacturing facility is situated at 39, 40, 41-A, 41-B, 42, 43-A, Industrial Area, Electronic Complex, Pardeshipura, Indore, Madhya Pradesh which is well equipped with requisite plant and machineries and other facilities. We also have our in-house design, laboratory and R&D division which enables our company to manufacture quality and customized products as per requirement of our customers.

Our registered office, manufacturing unit I are located in Indore, Madhya Pradesh. Further, we have acquired an additional land to establish manufacturing unit 2 at Ujjain, Madhya Pradesh. Our company is also required to take site office for the purpose of administration of our projects including stay of staff, store the projects materials. As on date of DRHP, our Company has site offices at Madhya Pradesh, Maharashtra and Odisha.

Qualitative products and Services is of utmost importance in our industry and we ensure that we adhere to quality standards at all times. Our products comply with requisite standards in fabrication. We have received various ISO accreditation quality in respect of Our Products and Services, Our Company has received 'Rashtriya Ekta Puruskar – 2015' award for outstanding support in the power sector for the tribal area of Madhya Pradesh from Asian Art & Cultural Society, New Delhi.

The promoters of our Company are Guru Prasanna Sahoo, Jagdish Kumar, Shivananda and Arvind Kumar Tripathi. They have an adequate experience and educational qualification in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. Our Promoters believe in continuous improvement and development of our products and Services. Also, we believe role of a management team is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations.

OUR BUSINESS SEGMENTS



EPC PROJECTS

Our EPC business primarily operates in the sector of Transmission and Distribution (T&D) under the power infrastructure space. The projects are purely awarded through tender basis. We have obtained contracts from Public sector undertakings such as Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVCL), Maharashtra State Electricity Transmission Company Limited (MSETCL) and NTPC Limited which are funded by various government schemes. Our company has undertaken projects from the state of Madhya Pradesh, Maharashtra and Odisha. Our scope in projects includes site survey, design, engineering, assembly, manufacturing, testing, installation and commissioning etc.

1. ELECTRICITY TRANSMISSION:

Electricity Transmission means transmitting power from a generating source to various load centers (i.e. where the power is being used). Generating stations generate electrical power. These generating stations are not necessarily situated where the majority of the power is being consumed (i.e. the load center). Electric power transmission is the bulk movement of electrical energy from a generating site, such as a power plant, to an electrical substation.

Considering the demand of the market and establishing ourselves in line of transmission activities, our Company has expanded its operational activities and took projects in Maharashtra and Odisha wherein the company is executing major projects under transmission.

Our Company undertakes following projects in transmission segment on turnkey basis:

➤ **Extra High Voltage (EHV) Transmission line project:**

Our company has undertaken the EHV transmission projects upto 765 KV. Extra High Voltage transmission lines are used for the purpose of transmission of large amount of electric power over long distance. EHV facilitate transmission at 345, 400, 500 and 765 KV economically. The exact voltage required to qualify as an EHV transmission system differs from region to region.

➤ **EHV Sub-station:**

EHV Sub-stations are points in the power system where power can be pooled from generating sources, distributed and transformed and delivered to the load points. EHV Sub-stations are interconnection points within the power transmission and distribution system. Our Company undertakes the projects of establishment of EHV sub-station of upto 765 KV power.

2. ELECTRICITY DISTRIBUTION:

Electricity distribution is the final stage in the delivery of electricity power. It carries electricity from the transmission system to individual consumers. Distribution substations connect to the transmission system and lower the transmission voltage to medium voltage ranging between 2 KV to 35 KV with the use of transformers. Distribution transformers again lower the voltage to the utilization voltage used by lighting, industrial equipment or household appliances.

Our Company undertakes various projects in distribution segment which are as follows:

➤ **Rural Electrification:**

Our Company undertakes various projects of rural electrification in the state of Madhya Pradesh, Maharashtra and Odisha under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) Scheme. Our Company has undertaken projects of providing electricity connections to un-electrified households and LT lines extension in rural areas.

➤ **Erection/Renovation of Sub-station:**

Sub-station at distribution level provide the interconnection between the distribution system which controls the power supply for households and agricultural activities. Under electricity distribution operations, our Company undertakes the projects of Erection / Renovation of Sub-stations of up-to 33 KV capacity.

➤ **Feeder Separation:**

Feeder Separation refers to the supply of electricity to agricultural and Non-agricultural consumers separately through dedicated feeders. Feeder separation provides regulated supply to agricultural consumers and continues supply to non-agricultural consumers in rural areas.

Our company undertakes projects of establishment of feeder separation as per requirement of our client.

BUSINESS PROCESS

Contracts are primarily awarded through “competitive bid” tender method based on combination of technical qualifications, proposed project team, schedule, past performance on similar projects, the bid amount is among the major determining factor.

The process requires each contractor to pre-qualify for the activities by meeting criteria that include technical capabilities and financial strength. Following are the project execution process:

Pre-bidding Stage:

Our Company is engaged in the execution of EPC / turnkey projects mainly through the open bidding process of various state / government power utilities and other state/ government owned enterprises. Open tenders are floated by various authorities by way of publication in a newspaper and/or by inviting notice to its vendors.

Our Tender team keep track of the tenders floated and identify the projects suitable for our company. Our team decides the suitable projects on the basis of project timelines, technical and financial parameters, cost included, scale of projects etc.

Post identification of target projects, our Company further refer the pre-qualification requirement of tender and ensure the fulfilment of the same. Pre-qualification requirement includes the financial position, location of company, status of completed projects, track record etc.

After satisfying with pre-qualification requirement, our team prepares the estimation of the cost of projects and other resources required. On the basis of cost estimation, we identify the ideal bidding quotation for the tenders.

After estimation of cost, our team completes the details and documents as per the forms and formats provided in tender documents. Our company also refers the specification, drawings and bills of quantities of the projects.

After completion of all the above activities, our team submits the tender bid as per the prescribed mode provided in prescribed time. The authority typically evaluates the technical bid or pre-qualification application and then the project is awarded only to those contractors who meet the stipulated criteria.

Project execution stage:

Our company identifies the project execution team after award of project, to look after the execution part of the project. As per the terms of the project agreement, we need to provide the details of the project managers, engineers, supervisors and other technical personnel who are looking after the execution of the projects to principal employers.

Simultaneously with finalisation of execution team, our team schedules the project work as per the Letter of Award (LOA) given by the principal employer. Our team identifies and plan the timelines for completion of the project and bifurcation of the resources as per the work.

Once the completion of the planning part, our team assign the work to the labour contractor as per the requirement and location of the site. We need to get the approval from our principal employer for the purpose of assignment of work to labour contractor and other parties.

At the time of planning our company identify the suppliers of the material who are qualified to supply the material under the project scheme. We require prior approval from our client for procurement of materials from the vendors. After approval of vendors, we place the order and procure the material at the project site. Material and other resources are procured at site, our team starts executing the project under the supervision of project engineers and supervisors.

Our project team along with the team of principal employer measures the work completed, which is termed as "Joint Measurement". After approval of work completed, we hand over the same to our principal employer.

Post execution stage:

The final inspection of the work is executed by the client, if the client find any deficiency in work, we may require to rectify the same. We are given final confirmation by way of letter of completion of work after satisfaction of the inspection.

SUMMARY OF WORK CONTRACTS:

Under a project contract awarded to us, we are responsible for the strict compliance with the project requirement, terms and conditions of the contract. Most of our contracts contain escalation clauses to cover cost overruns. Following are some basic terms of contract in general. However the same varies from contract to contract:

- **Project material from approved vendors only** – As per our project contract terms, we need to procure the materials from the pre-qualified and approved vendors only. Also we need to get our vendors list approved from client.
- **Performance Guarantees** – We are required to submit advance bank guarantee or performance bank guarantee. These guarantees are equal to fixed percentage of the contract price as the performance security.
- **Terms of payment** – Payment of project invoices are processed on the basis of milestone stage completion as per the payment terms and conditions mentioned in work contract. Our payments are processed on the basis of inspection approved by the client.
- **Warranty & Defect Liability** - During the contract period as well as the warranty period after the completion of project, we are usually required to cure defects in products and services, except usual wear and tear, at our own risk and costs. In the event we are unable to cure the defects, our clients usually have the right to get the defect rectified by a third party at our cost.

MANUFACTURING OF CABLES AND CONDUCTORS:

Our company has recently started manufacturing of Cables and Conductors of various sizes which are used in Distribution and Transmission activities as per the requirement of projects. We manufacture range of products at our manufacturing unit such as Alloy Aluminium Conductor (AAC), Aluminium Conductor Steel Reinforced (ACSR), All Alloy Aluminium Conductor (AAAC), House Building PVC wires, Aerial Bunched Cables (ABC), Single Core Switch Gear Wires, Multi-Core Flexible Cables, Control Cables, LT XLPE Control Cables, LT PVC Power Cables, LT XLPE Control Cables and Submersible Flat Cables. These products are utilized by our Company towards execution of EPC projects as well as selling to the customers as per their specific requirements.

Our Products range:

Sr. No	Product	Size and range
1.	AA Conductor	Up to 1000 Sq. mm
2.	AAA Conductor	Up to 767 Sq. mm
3.	ACSR Conductor	Up to 560 Sq. mm

Sr. No	Product	Size and range
4.	ACSR Conductor	Up to 690 Sq. mm
5.	LT Aerial Bunched Cable KV	Multi core Up to 300 Sq. mm
6.	XLPE insulated & PVC Sheathed AAAC & ACSR Conductors.	Up to 1000 Sq. mm
7.	LT XLPE Insulated & PVC Sheathed Power Cable 1.1 KV (Armored & Un armored)	Aluminium & Copper Conductor Single core upto 1000 Sq. mm & Multi core upto 400 Sq. mm
8.	LT PVC Insulated & PVC Sheathed Power Cable 1.1 KV (armored & unarmored)	Aluminium & Copper Conductor Single core upto 1000 Sq. mm & Multi core upto 400 Sq. mm
9.	PVC & XLPE Control Cable 1.1 KV (Armored & Unarmored)	Copper Conductor Upto 61 Cores
10.	PVC Insulated and Sheathed Copper Cable 1.1 KV(Single & Multicore)	Single Core upto 630 Sq. mm & Multicore sheathed upto 50 Sq. mm
11.	House Wire FR PVC Sheathed Cable 1.1 KV	Upto 35 Sq. mm
12.	PVC Insulated and Sheathed Aluminium Cable 1.1 KV	Single Core upto 630 Sq. mm & Multicore sheathed upto 50 Sq. mm
13.	PVC Insulated & Sheathed Flat Submersible Copper Cable 1.1 KV	Upto 50 Sq. mm

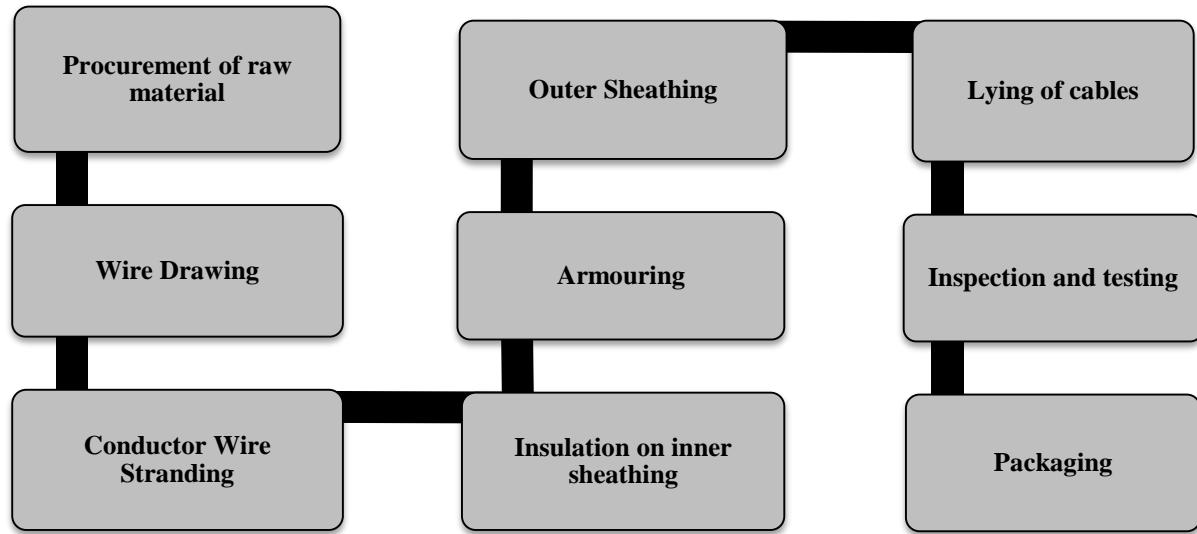
OUR KEY PRODUCTS:

Sr. No.	Name of Product	Description of Product
1	<u>AERIAL BUNCHED CABLE (ABC)</u> 	<p>In the ABC system, the insulated aluminum conductors (3 or 4 numbers as required) are twisted around a high strength aluminum alloy bearer wire which covers the main weight and also serves as the earth cum neutral wire.</p> <p>Our AB cables are manufactured as per national and international specifications and as per customer requirements. Due to various customers' requirements the composition and designation of cables are different.</p>
2	<u>ALL ALLOY ALUMINIUM CONDUCTORS (AAAC)</u> 	<p>These Aluminium Alloy Conductors are heat treated magnesium silicon type. The Alloy referred to have higher strength but lower conductivity than pure aluminium.</p> <p>Being lighter, alloy conductors can sometimes be used to advantage in place of the conventional ACSR conductors. Their use becomes favourable when ice and wind loadings are low. We manufacture the AAAC as per the requirement of Customer and the project.</p>

Sr. No.	Name of Product	Description of Product
3	<u>ALL ALUMINIUM CONDUCTORS (AAC)</u> 	<p>AAC are a refined Aluminium stranded conductor with a minimum metal purity of 99.7%. It is principally used in urban areas where spacing is short and the supports are close. It can be used in coastal regions owing to its high degree of corrosion resistance.</p> <p>This kind of conductor has a very low value of specific mechanical resistance and it is used for short lengths (for example next to the stations) and not for long spans. The AAC are used on distribution lines of upto 60 KVs. Our company manufacture All Aluminium conductors as per the requirement of customers.</p>
4	<u>ALUMINIUM CONDUCTORS STEEL REINFORCED (ACSR)</u> 	<p>The mixed construction of ACSR makes it a very flexible medium from a design point of view in Electrical Transmission & Distribution.</p> <p>By varying the relative proportion of aluminium and steel, the ideal conductor for any particular application can be produced. Generally, ACSR consists of galvanized steel core 1 wire or 7 wires or 19 wires surrounded by concentric layer of aluminum wires.</p> <p>Construction ratio of aluminium and steel varies with requirement of current carrying capacity. We manufacture ACSR conductors considering National and International standards.</p>

OUR MANUFACTURING PROCESS

The manufacturing of cables and conductors involves the following steps which are explained below:



1. Procurement of raw materials:

Aluminium wire rod is major raw material for manufacturing of cables and conductors. We procure our raw materials from domestic market. We order raw materials on the basis of order received from the customers as the price of aluminium keeps fluctuating.

2. Wire Drawing:

Wire drawing is the process used to reduce the cross section of a wire by pulling the wire through a single, or series of drawing dies. In this process, the wire is prepared by shrinking the beginning of it, by hammering, filing, rolling or swaging, so that it will fit through the die; the wire is then pulled through the die. As the wire is pulled through the die, its volume remains the same, so as the diameter decreases, the length increases. Usually the wire will require more than one draw, through successively smaller dies, to reach the desired size.

3. Conductor Wire Stranding:

In this process the particular number of wires are joined and twisted together in a manner to make the conductor. Wire stranding process has to be conducted on tubelar machine which provides more flexibility to conductors and also increase the life of conductor. These stranded wires are called conductors which are of specified cross- section area as per customer requirement. The process of manufacturing conductor is finished at this stage. If a conductor is to be turned into cable, manufacturing process is continued and the below mentioned activities are carried out.

4. Insulation on inner sheathing:

Insulation is a process in which the bare wires are coated with a polymer-based insulation. This process includes pulling of wire or cable to be coated at a uniform rate with molten plastic or hot rubber compound. Insulation generally done by XLPE or TYPE-A grade PVC.

Insulation is to be done in two phases i.e. inner sheathing and outer sheathing. Inner sheathing and outer sheathing done by St 1 and ST 2 grade PVC.

5. Armouring:

Armouring is a process in which the inner cable is protected from damages.

In this process number of bobbin of steel wires are loaded on the machine and inner sheath of cable loaded on payoff and machine rotate anti clock wise direction and armouring of inner sheath cable.

6. Outer Sheathing:

Outer sheathing is to prevent the wire and cable layer from erosion or damage and enhance the mechanical strength or prevent wire and cable burning.

In this process the extruding machine extrudes the plastic protective layer on outer part of cable as per the requirement.

7. Laying of cables:

This process has to be done for the purpose of Aerial Bunched Cables (ABC). In this process insulated aluminum conductors (3 or 4 numbers as required) are twisted around a high strength aluminum alloy bearer wire which covers the main weight and also serves as the earth cum neutral wire.

8. Inspection and testing:

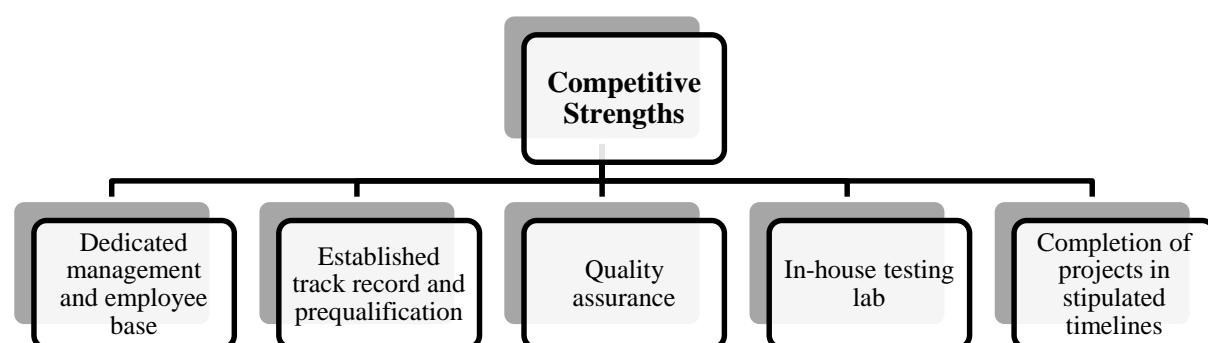
Once the finish product is ready, our In-house testing team inspects the finished goods to confirm the quality of products which should be as per the standard prescribed by the authorities.

Our products are tested as per the ISI standard and standards prescribed by the various authorities.

9. Packaging

Once the finished product is inspected by our quality control team, the cables has to be packed on large wooden drums as per the requirements of product.

OUR COMPETITIVE STRENGTHS



Dedicated management and employee base:

Our management team is experienced in the industry and has been responsible for the growth of our operations and financial performance also dedicated towards growth and quality products of our company. Our Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar and Shivananda are

having adequate knowledge of industry and business. Our directors look after the strategic decision of our company. Our company is having combination of skilled, semi-skilled and labour assets. Our company is having on site managers who looks after the execution of activities at project sites.

Our operations are being managed by well qualified project teams headed by experienced project managers and supervisors who are well versed with our Industry and business undertaken by our Company.

In-house testing lab:

Our Company is having in-house product testing lab where the products manufactured are tested. Our testing lab is having adequate equipments to test the quality of products as per the standards prescribed by agencies such as Bureau of Indian Standard, International Electrification Commission and various government undertaking.

Our in-house testing laboratory and necessary infrastructure to test our raw materials and finished products to match the quality standards and as specified by the customers and as per the requirement of any prequalification norms.

As on August 31, 2019 our testing lab is having following testing equipments:

Sr. No	Name of equipment	Test
1.	Digital Tensile Machine	conductor breaking load and XLPE/PVC tensile strength
2.	Digital Resistance Machine	resistance of conductor
3.	Thermal Stability Machine	PVC thermal stability test
4.	Analog Weigh Bridge	To provide accuracy in micro weight of testing material
5.	Digital Weigh Bridge	Test of exact weight of material/ Product
6.	Digital Vernear Caliper	To check accurate die of conductor and thickness in insulation and sheathing.
7.	Hot Set Test	To test the capacity of insulation and value of permanent elongation and elongation at lode
8.	Aging Oven	To check the loss of mass, tensile & elongation and variation in PVC of product in adverse conditions.
9.	Hot Set Test	Test of Shrinkage, Hot deformation and heat shock of XLPE and PVC.
10.	Vacuum Oven	Hot deformation test of XLPE & PVC.
11.	Million Mega Ohm Meter	To test value of volume resistance of XLPE and PVC insulation
12.	AC High Voltage Tester	Test of cable on 3KV A.C. power supply
13.	DC High Voltage tester	Test of cable on 1.1 KV D.C. power supply
14.	Dumb Bell cutting Machine	Cutting of XLPE and PVC insulation and Sheathing. Dum bell cutting is requirement of PVC and XLPE tensile strength.
15.	Torsion Machine	Torsion tests machine twist a material or test cable to a specified degree, with a specified force, or until the material fails in torsion.
16.	Flammability Machine	To test flammability of PVC cables.
17.	Conditioning Chamber	To conduct cold bend test and cold impact test of PVC at -5 & -15 degree C

Quality assurance:

Quality Control and Quality Assurance are integral part of our manufacturing operations. We believe that quality is an ongoing process of building and sustaining relationships. All the products are being manufactured strictly as per customer requirement using the expertise of our experienced and trained team to provide quality output to our customers at competitive prices.

Our Company adheres to high quality standards in our products and services. Our company has actively focused on human resources, infrastructure, machinery and various testing equipments and over the

time strived to deliver quality services and products. Our manufacturing unit is certified with IS 398 (Part 2): 1996 ISI, IS 1554 (Part 1) 1988, IS 14255:1995 and IS 398 (Part 4): 1994 by Bureau of Indian Standards and ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 certified by Trans Continental Certifications Private Limited.

Completion of projects in stipulated timelines:

Timely completion of the project as per the schedule and terms of the contract is of utmost importance for us to fetch more projects from the clients. We have a track record for timely completion of projects. Timely completion of projects also helps the organization in reducing the possibilities of any penalty or liquidated damage being imposed upon by the clients. Execution of the projects in time also helps the company in maintaining good reputation among the clients and gaining repeated orders

Established track record and prequalification:

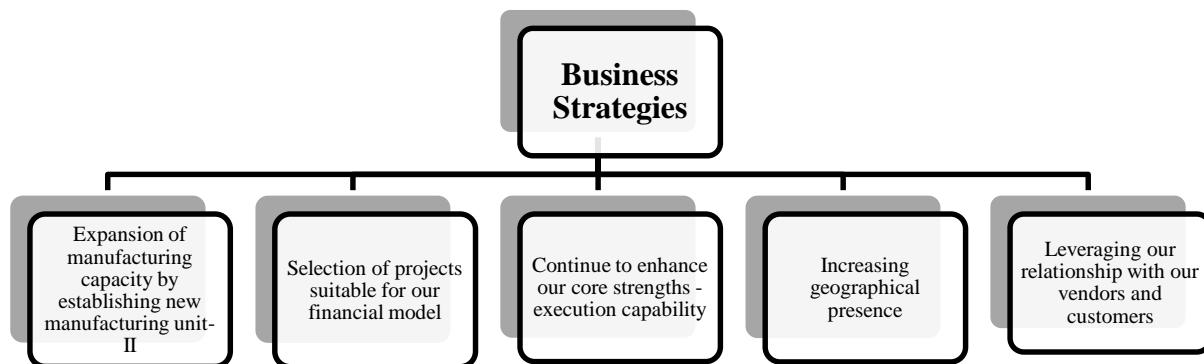
Our company is having the track record of executing the distribution and transmission projects in Madhya Pradesh. Our company has also explored the business opportunities in Maharashtra and Odisha for which we have been awarded the projects under Transmission and Distribution Segment respectively.

Our Company is prequalified to supply cables and conductors as vendor. We have received vendor approval from Government of Madhya Pradesh, Bihar, Uttar Pradesh, Jharkhand, and Maharashtra under various schemes such as Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) and Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)

Our company is having vendor approvals for the following schemes:

Sr. No.	State	Organisation	Scheme
1.	Uttar Pradesh	Paschimanchal Vidyut Vitran Nigam Limited	SAUBHAGYA Scheme
2.	Jharkhand	Jharkhand Bijli Vitran Nigam Limited	DDUGJY Scheme
3.	Bihar	North Bihar Power Distribution Co. Limited	State Plan Scheme
4.	Uttarakhand	Uttarakhand Power Corporation Limited	DDUGJY Scheme
5.	Madhya Pradesh	M P Madhya Kshetra Vidyut Vitran Co. Limited	DDUGJY Scheme/ MPCZ
6.	Madhya Pradesh	M P Paschim Kshetra Vidyut Vitran Co. Limited	DDUGJY Scheme/ MPCZ
7.	Madhya Pradesh	M P Paschim Kshetra Vidyut Vitran Co. Limited	SSTD Scheme/ MPCZ
8.	Madhya Pradesh	M P Paschim Kshetra Vidyut Vitran Co. Limited	SSTD Scheme/ MPCZ
9.	Maharashtra	Maharashtra State Electricity Distribution Company Limited	High Voltage Distribution System Scheme
10.	Uttar Pradesh	Purvanchal Vidyut Vitran Nigam Limited	DDUGJY Scheme

OUR BUSINESS STRATEGIES



Expansion of manufacturing capacity by establishing manufacturing unit -II:

Our Company intends to expand our product manufacturing capacity by establishing the manufacturing unit at Ujjain, Madhya Pradesh. Manufacturing unit at Ujjain is in initial stage and machineries and equipments are yet to procure. Once the manufacturing unit will be established and operational our manufacturing capabilities will expand.

The Central Government and other state governments are coming up with various electrification infrastructure projects under various schemes which includes SAUBHAGYA and DDUGJY. Looking to the current increased demand, in Power Industries wherein cables and conductors form a major material proportion and upcoming demand the company had planned an additional manufacturing unit which shall help us to expand our market reach in addition to in-house consumption of material in our projects being undertaken in Distribution and Transmission Sector.

Selection of projects suitable for our financial model:

The business of our Company is execution of electricity transmission and distribution projects of State Govt. undertakings on tender basis. Our Company's tender team evaluates the tenders on the basis of scope of project and scale of projects. Our Company undertakes the projects on the basis of financial model of our company. At present We undertake the projects which are funded by Central Government or Rural Electrification Corporation (REC) and have minimum proportion of funds being infused by or State Govt. which assure us our payments as these projects are pre-funded projects having sufficient capital base thereby not restricting or delaying our payments from the government agencies.

Continue to enhance our core strengths - execution capability

We believe that we have developed a reputation for successfully executing projects in the power transmission and distribution sector. Our ability to effectively manage projects in multiple geographical regions specifically in Madhya Pradesh, Maharashtra and Odisha is crucial to our continued success as a recognized power and infrastructure company at a national level. By further adding to our existing pool of engineers, attracting skilled talent, and facilitating continuous learning and training opportunities, we intend to continuously strengthen our execution capabilities and enhancing our delivery capabilities to maximize client satisfaction. Along with the same, we also strive to optimize our operating costs to maximize our operating margins.

Increasing geographical presence

We believe that our growth in other states in the country can fetch us business opportunities. Presently, our presence is in the state of Madhya Pradesh, Maharashtra and Odisha. Going forward we intend to establish our presence in Uttar Pradesh, Jharkhand, Bihar and Uttarakhand. Our emphasis is on scaling up of our operations in other markets which will provide us with attractive opportunities to grow our client base and revenues. We have already placed bid in Uttar Pradesh.

Leveraging our relationship with our vendors and customers:

Our Company is customer satisfaction oriented company and always strives to maintain good relationships with the customers. We undertake projects of government undertakings such as Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVVCL), Maharashtra State Electricity Transmission Company Limited (MSETCL) and NTPC Limited etc. We have also undertaken projects from private enterprises which meet our corporate profile and business strategies. We believe that there are significant opportunities for additional growth within our existing customer base.

We have portfolio of approx. 200 approved vendors, who provide materials as per our project requirement. Also we are prequalified vendor for supplying products to various authorities under Government schemes. We intend to leverage our domain expertise, understanding of our target industry and close relationship with our customers and vendors to expand the scope of current services and products in new areas.

SWOT ANALYSIS:

STRENGTH <ul style="list-style-type: none"> 1. Completion of projects on or before time. 2. Dedicated management and employee base. 3. Central Government funded projects. 4. In-House production of cables and conductors 	WEAKNESS <ul style="list-style-type: none"> 1. Fluctuation in prices inputs and raw materials. 2. Reduces cash flows. 3. Increased cost of labour. 4. Limited geographical presence.
OPPORTUNITY <ul style="list-style-type: none"> 1. Rural Electrification and smart city projects. 2. Opportunities in other geographical locations 3. Cost competitiveness through setting up of own manufacturing units thereby increasing profit margins. 4. Export of manufactured cables and conductors. 	THREAT <ul style="list-style-type: none"> 1. Competitive tender pricing by other contractors. 2. Unforeseen circumstances impacted by regulatory and legal changes. 3. Delays due to environmental factors

CAPACITY AND CAPACITY UTILISATION:

Our cable and conductor manufacturing operations were started in the 3rd quarter of the financial year 2018-19. Hence, the details given below are for that period:

Sr No.	Name of Product	Installed Capacity in Kms. (Per Annum)	Actual utilisation in Kms for the period of October 2018 to March 2019
1.	Aerial Bunched Cable	4,992	684
2.	AAAC Conductors 55 Sq. Mt.	7,488	1,026
3.	AAAC Conductors 200 Sq. Mt.	2,496	342

For EPC operations, we do not have any capacity utilisation data as such. Our EPC activities are dependent on our ability to procure raw materials, equipments, human resource, execution capabilities, experience and skills.

RAW MATERIALS

For EPC projects segment our major raw materials are Transformers, AB cables, GI Steel Structures, AB switches, PCC Poles, Meter Boxes. We procure our raw materials from suppliers who are approved by our clients based on the quality of the products.

For cables and Conductor manufacturing segment our major raw material are aluminium wire rod, GI wires, Plastic Granuals. We procure our raw materials from domestic market on the basis of orders received.

END USERS:

In EPC Projects, our customer base consists of both government authorities and private enterprises. In manufacturing segment, we provide our products to customers who are engaged into power transmission and distribution. We manufacture our products as per the requirement of our customers.

TOP 5 CUSTOMERS:

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

(Amount in Rs. Lakhs)

Sr. No.	Name of Customer	Amount	% of Total Revenue
1	Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited	7537.37	46.03%
2	NTPC Limited	4212.57	25.73%
3	Godrej & Boyce Mfg. Co. Ltd.	2822.81	17.24%
4	Maharashtra State Electricity Transmission Company Limited	600.91	3.67%
5	Agrawal Power Pvt. Ltd.	280.00	1.71%
Total		15,453.65	94.38%

TOP 5 SUPPLIERS:

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

(Amount in Rs. Lakhs)

Sr. No.	Name of Supplier	Amount	% of Total Purchase
1	Laser Power & Infra Pvt Ltd	888.06	7.39%
2	Advance Metering Technology Limited	523.32	4.36%
3	Sun Industries	484.61	4.03%
4	Jayaditya Electricals	453.17	3.77%
5	Madhyachal Steels Pvt. Ltd	389.46	3.24%
Total		2,738.63	22.79%

OUR ORDER BOOK:

Our total order book as on August 31, 2019 stood at Rs. 13,113 lakhs consisting of 12 projects, of which 7 are power transmission projects and 5 are power distribution projects. Our projects are brought into order book once we have been provided written confirmation of award.

Details of our order book as at August 31, 2019 is as under:

(Amount in Rs. Lakhs)

Types of Project	No. of Projects	Contract Value	Outstanding Order Value
Power Transmission Projects	7	10,321	8,271
Power Distribution Projects	5	14,895	4,842
Total	12	25,216	13,113

Note: Contract value and Outstanding Order value is inclusive of all taxes.

OUR ONGOING PROJECTS:

The following table sets forth details of our ongoing projects as at August 31, 2019:

(Amount In Rs. Lakhs)

Sr. No.	Project Type	Project Details	Location of Project	Date of Commencement	Scheduled period of completion	Contract Value	Outstanding Order Value
1.	Power Transmission Project	Construction of 132 KV line	Darwha Substation under Amravati zone, Maharashtra	August 07, 2018	18 Months	177.00	34.00
2.	Power Transmission Project	Turnkey construction of 220 KV	Waluj – Chitegaon, Maharashtra	November 05, 2018	12 Months	1,140.00	991.00
3.	Power Transmission Project	Turnkey contract for construction of LILO on one ckt of 132 KV Asgaon – Bramhapuri line at 220 KV	Asgaon – Bramhapuri line, Maharashtra	November 05, 2018	18 Months	1,077.00	751.00
4.	Power Transmission Project	Award of Contract for turnkey construction of (1) 132 KV D/C Babhaleshwar-Rahuri - Ahmednagar MIDC Line (2) 2nd Ckt Stringing of 132 KV Shevgaon Ghodegaon SCDC Line & (3) 2nd Ckt Stringing of 132 KV Shevgaon- Pathardi DC Line	Babhaleshwar - Rahuri, Ahmednagar, Maharashtra	November 13, 2018	18 Months	2,243.00	1,588.00
5.	Power Transmission Project	Turnkey construction of (1) 132kV Kardha-Ashti D/C line (2) 2nd Circuit stringing of 132kV Georai-Beed SCDC Line-	Aurangabad Zone, Maharashtra	November 13, 2018	18 Months	1,838.00	1,298.00
6.	Power Transmission Project	Turnkey contract for construction of 220 KV DL line	Aurangabad, Maharashtra	November 05, 2018	18 Months	1,914.00	1,811.00
7.	Power Transmission Project	Turnkey contract for construction of 220 KV DL line	Aurangabad, Maharashtra	November 05, 2018	18 Months	1,932.00	1,798.00
8.	Power Distribution	Supply and erection contract of site survey, design, engineering, assembly, testing,	Keonjhar, Odisha	August 14, 2018	6 Months	4,405.00	588.00

Sr. No.	Project Type	Project Details	Location of Project	Date of Commencement	Scheduled period of completion	Contract Value	Outstanding Order Value
	projects	commissioning for construction of new 33/11 KV line sub-station, bay extension and construction of 11 KV line, LT line,					
9.	Power Distribution projects	Work contact basis for providing electricity connections to un-electrified households and LT line extension in rural area of on turnkey basis.	Kalahandi, Odisha	October 01, 2018	3 Months* Further extended till September 30, 2019	4,707.00	2,187.00
10.	Power Distribution projects	Ex-work supply and service contract for rural electrification works of 247 Nos. of PE villages of Bolangir district of Odisha State under Rajiv Gandhi Grameen Vidhyutikaran Yojana (RGGVY)	Bolangir, Odisha	November 23, 2018	3.5 Months Further extended till December 31, 2019	4,849.00	1,673.00
11.	Power Distribution projects	Supply and erection contract of site survey, design, engineering, testing, , commissioning for construction of new 33/11 KV line sub-station, and construction of 11 KV line	Burhanpur, Madhya Pradesh	February 19, 2019	6 Months Further extended till 30th November, 2019	666.00	329.00
12.	Power Distribution projects	Supply of materials, installation, testing and commissioning of new 5MVA 33/11 KV substation, New 33KV line on H Beam, New 11KV line on H-Beam, New underground LT line and installation of new & 100 KVA DTRs on turnkey basis	Khargone, MP	August 28, 2018	3 Months	268.00	65.00
Total						25,216.00	13,113.00

*Company has applied for further extention of the project seeking reasons of typical geographical conditions.

Note: Amount of Contract value and outstanding order value is inclusive of taxes.

OUR FINANCIAL SNAPSHOT:

Details of Revenue, EBITDA and PAT from FY 2016-17 to FY 2018-19 as per Restated Financial Information is as under:

(Amount in Rs. Lakhs)

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Revenue from Operation	16374.09	10352.90	9128.11
Total Revenue	16436.79	10411.64	9196.73
EBITDA	1787.86	660.50	536.49
EBITDA Margin (in %)	10.88%	6.34%	5.83%
PAT	932.83	323.85	204.11
PAT Margin (In %)	5.68%	3.11%	2.22%

Note:

1. EBITDA Margin = (Restated profit before tax + Finance cost + Depreciation and amortization expenses)/ Total Revenue;
2. PAT Margin = PAT/ Total Revenue

Project wise revenue for our company is as under:

(Amount in Rs. Lakhs)

Projects	FY 2018-19	FY 2017-18	FY 2016-17
Power Transmission	601.26	-	-
Power Distribution	14,972.30	10,352.90	9,128.11
Manufacturing	8,00.53	-	-
Total	1,6374.09	10,352.90	9,128.11

State wise revenue bifurcation for our company is as under:

(Amount in Rs. Lakhs)

State	FY 2018-19	FY 2017-18	FY 2016-17
Madhya Pradesh	8,738.53	10,352.90	9,128.11
Maharashtra	600.10	-	-
Odisha	7,035.46	-	-
Total	1,6374.09	10,352.90	9,128.11

PROPOSED MANUFACTURING UNIT:

We plan to set up a manufacturing unit in Ujjain, Madhya Pradesh. Set forth below is a table summarizing these proposed manufacturing unit:

Parameters	Details
Forecast installed capacity in KMs per annum (approx.)	60,000 KMs Per Year
Number of machines	10 Machines
Products	Cables and Conductors
Area of land	Approx. 1,80,834 Sq. ft
owned/ Leased	Owned
Planned commencement of Operation	Financial Year 2020-21
Estimated total cost (including the cost of land) (in Lakhs)	901.04 Lakhs

We plan to use the proceeds from fresh issue in setting up of new plant in Ujjain, Madhya Pradesh with an estimated total cost of Rs. 901.04 Lakhs out of which 400.00 will be funded by Fresh Issue proceeds. The fund requirement mentioned as part of the Objects of the Offer is based on quotations received from vendors as well as internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies. For further details,

please refer "Objects of the Offer –Financing the project cost towards establishment of a new manufacturing facility" on page 83 of this Draft Red Herring Prospectus.

We have not yet entered into any contracts for the construction of the sheds and purchase, installation and commissioning of the plant and machinery. As a consequence of any increased costs, the actual costs to set up new units may be higher than our management's estimates.

SALES & MARKETING:

Our Company is engaged in the execution of EPC / turnkey projects mainly through open bidding process of various state / government power utilities and other state/ government owned enterprises. Open tenders are floated by various authorities by way of publication in a newspaper and/or by inviting notice to its vendors.

In view of the nature of our market, the major sources of information of ensuing tenders for Power infrastructure contracts are newspapers and government gazettes. In order to ensure that we can effectively bid for these contracts we have a Tender team which keeps track of these tender notification or advertisement and prepares the tender document. Further, biding capacity of a party is a very important criteria for pre-qualification in a contract. We also keep in touch with various private sector organisations for obtaining work on a sub-contract basis.

Therefore marketing strategy of our company is dependent on the past credentials, which include timely completion of work, quality of services and presentation of documents. As we have track record of timely/ before time completion of contracts we have an edge in technical bids in various DISCOMs which flourishes tenders on behalf of Central/ State Government.

For our manufacturing activities, Our Company approaches customers personally or by introductory letters along with its credentials based on which enlistment is generally obtained. Also through various online sites we get inquiries related to orders and accordingly if required, factory visits either by the representatives of the customers or their consultants are also made.

Enquiries are received from customers wherever we are enlisted as a matter of routine procedure. In case of open tenders, we are required to participate through press tenders or through internet in response to enquiries placed on specific web sites of our clients.

We have a dedicated sales team and business development capabilities which has enabled us to add significant new clients in the past.

LIST OF MAJOR PLANT AND MACHINERY

The major plant and machinery of our Company as on date of this DRHP is as follows:-

Sr. No.	Description	Quantity
1	Motor vehicles (Including Pick up, Trucks)	32
2	Aeging Furance 90KW Machine	1
3	Kirlosker make DC Motor	1
4	Kirlosker make DC Motor	1
5	Electronic Cross Traveling trolley with CT AC	1
6	Die RBD Machine	1
7	RBD Machines	1
8	Tabuler Machines	1
9	Hydraulic cranes	4
10	Traversing Unit	1
11	Electrical installations	1
12	Printer Accessories (Name Printing)	1
13	Surveyor Machine	4

COLLABORATIONS/ TIE UPS/Joint Ventures:

As on date of this Draft Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements/ Tie Ups/ Joint Venture.

EXPORT AND EXPORT OBLIGATIONS:

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

COMPETITION:

We face competition from other companies operating in the same geographies as ours with presence in Electricity transmission and distribution projects and manufacturer of Cables and conductors. Our competition is based on numerous factors, more importantly, the type of project, total contract value, technical capability, complexity, location of the project and risks involved. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel's are key factors in client decisions among competitors. Price often is the deciding factor in most tender awards.

We feel due to the varying size, scale and diversified operations of our Company, compared to other listed companies operating in the industry we operate in, no one particular company is directly comparable to ours. However, there are players in the power transmission segment and / or in the business of manufacturing cables and conductors who have a business similar to ours in one or more segments, may be of a significantly larger size, whom we have included in the peer set such as GE T&D India Limited, Techno Electric & Engineering Company Limited and Sharika Enterprises Limited which are listed companies.

HUMAN RESOURCES:

We have developed a pool of skilled and experienced personnel. We also contract personnel as well as hire part-time employees and temporary staff to meet our seasonal or specific project needs. As of September 01, 2019, we engaged a total workforce of 259 permanent employees, who look after our day to day business operations, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals. We also deploy contract labours as per requirement on project to project basis. Our manpower is a prudent mix of the experienced, skilled, semi-skilled which gives us the dual advantage of stability and growth.

Department wise bifurcation of our employee is as under:

Department	Number of Employees
Management	7
Finance and Accounts	9
Human Resource and Admin	14
Tender and Material	1
Purchase & Procurement	8
Legal and Compliance	1
Manufacturing	16
Project Execution	203
Total	259

INFORMATION TECHNOLOGY:

Our Company has implemented the Global positioning System (GPS) to track the locations of our vehicles on project site. Our vehicles are used for the purpose of procurement of project materials from the place of vendors or from site offices to project site and also to take the employees and labours to project site. GPS tracking system provides the real time visibility of vehicles so that the vehicles can be utilised as per the requirement of project or at the required site.

We intend to continue to acquire technology systems to increase asset productivity, improve operating efficiencies, and strengthen our competitive position. We will continue to automate major processes in our business to improve process efficiency, reduce costs and offer a differentiated value proposition to

our clients. We source these technologies from third party vendors for new clients.

SEASONALITY:

Severe weather can impact our operations. The climates where we operate, extreme weather conditions like severe monsoon, floods, heavy rainfall etc. may slow our activities on our projects. In addition to the above noted factors, the general timing of project starts and completions could exhibit significant fluctuations which may lead to cost escalations.

Accordingly, results for any interim period may not necessarily be indicative of future operating results. Other factors impacting operating results in all segments come from work site permitting delays or customers accelerating or postponing work. The differing types, sizes, and durations of our contracts, combined with their geographic diversities and stages of completion, often results in fluctuations in the Company's operating results.

UTILITIES & INFRASTRUCTURE FACILITIES:

Infrastructure

Our registered office and Manufacturing unit situated at Indore are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities like fire safety, CCTV cameras etc. which are required for our business operations.

Power

We meet our power requirements at registered office and manufacturing unit by purchasing electricity from Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVVCL). We have diesel generator as standby arrangement at our registered office, which is used in case of interruption of electricity.

Water

Adequate arrangements with respect to water requirements for registered and manufacturing unit for drinking purpose is made through local vendor, water suppliers. Water requirement at our manufacturing uni is arranged through bore well.

INSURANCE:

We have obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, Marine cum Erection policy, Commercial package policy, Employee Compensation policy, Standard Fire and Special Perils, Money Insurance policy and vehicle insurance in respect of certain of our Registered office, Manufacturing unit, projects and vehicles. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. Our policies are subject to customary exclusions and deductibles.

LAND AND PROPERTY:

We have our properties located at following:

Owned Properties:

The details of our owned properties are as follows:

Sr. No	Address of the Property	Area of the property	Usage
1.	R-211, Mahalaxmi Nagar, Near Bombay Hospital, Indore – 452010, Madhya Pradesh, India.	1,500 Sq. ft.	Registered office
2.	Land Survey No. 676/2, 678/1, 678/2/2, 678/3, Patwari Halka No. 49, at Depalpur-Ingoria Road, Village- Baledi, Tehsil- Badnagar, District- Ujjain, Madhya Pradesh, India.	Approx. 1,80,834 Sq. ft.	Manufacturing Unit - II

Leased Properties:

The details of our leased properties are as follows:

Sr. No	Address of the Property	Lessor	Consideration	Lease Period	Usage
1.	Plot No. 39, 40, 41-A, 41-B, 42, 43-A Electronics Complex, Pardeshipura, Indore – 452003, Madhya Pradesh.	M.P. Audyogik Kendra Vikas Nigam (Indore) Limited *	Annual lease rent Rs. 5,250/-. Annual Maintenance charges Rs. 18,000/-	For the period of 30 years commencing from December 03, 2018.	Manufacturing Unit-I
2.	Flat No. D-104, D Sector, Building Nio City, Mit Mita, Padegoan, Aurangabad, Maharashtra.	Sunil Vishwanath Naikwadi	Rs. 8,500/- Per Month	For the period of 11 months from February 4, 2019.	Branch Office
3.	Durganpura Apartment near Hanuman Mandir, Tapneshwar Road, Jamkhed, Ahamadanagar, Pin Code – 413201	Dinesh Kumar Ramashankar Bharti	Rs. 7,000/- Per Month	For the period of 11 months from December 11, 2018.	Branch Office
4.	Dhanlaxmi Hotel, Rahuri Factory, Teh – Rahuri, Dist – Ahmed Nagar Pin – 413706 Maharashtra	Vishnu Sukhdev Gite	Rs. 25,000/- Per Month	For the period of 11 months from March 01, 2019.	Branch Office

Sr. No	Address of the Property	Lessor	Consideration	Lease Period	Usage
5.	Plot No. – 5279/6927, Khata No. – 882/377, Chhak Sai Colony, Near Bridge Chouk, At /P.O - Anandapur, Distt.- Keonjhar -758021, Odisha.	Ashok Kumar Nayak	Rs. 12,500/- Per Month	For the period of 11 months from July 17, 2019.	Branch Office
6.	46/ B/ 11, Farandey Park, Near Kabra Nagar, Nanded, Maharastra	Pritam Baswaraj Kusnure	Rs. 9,500/- Per Month	For the period of 11 months from December 21, 2018.	Branch Office
7.	C/O Om Prakash ji Parikh, Dakwadi Burhanpur (MP)	Bhanwari Devi Pareek and Kamla Devi Pareek	Rs. 10,000/- Per Month	For the period of 11 months from February 21, 2019.	Branch Office
8.	Khata No. 227/258 of Mouza-Kantabanji, “KA”, P.S. No. 7, Kantabanji – 670397, Dist. Balangir Odisha, India.	Purusottam Jain	Rs. 13,000/- Per Month	For the period of 11 months from February 1, 2019.	Branch Office
9.	Holding No. 227/639 of Mouza-Kantabanji, “KA”, P.S. No. 7, Kantabanji – 670397, Dist. Balangir Odisha, India	Naveen Kumar Agrawal	Rs. 17,000/- Per Month	For the period of 11 months from January 1, 2019.	Branch Office
10.	3 BHK building situated at Sai Marg, Hill Town, Bhawanipatna, Po/Ps – Bhawanipatna Town, Dist. – Kalahandi, Odisha, India	Sanjeev Kumar Patra	Rs. 10,500/- Per Month	For the period of 11 months from August 27, 2019.	Branch Office
11.	3 BHK building situated at Sai Marg, Hill Town, Bhawanipatna, Po/Ps – Bhawanipatna Town, Dist. – Kalahandi, Odisha, India	Subhalaxmi Patra	Rs. 10,500/- Per Month	For the period of 11 months from August 27, 2019.	Branch Office
12.	Holding No. 81/122 of Mouza-Kurli, P.S. No. 9, Kantabanji, Dist. Balangir Odisha, India	Dapli Devi Agrawal	Rs. 22,000/- Per Month	For the period of 11 months from December 1, 2018.	Material Godown

*Our Company has acquired the industrial shades on property from M/s. Electro Cables Industries vide Industrial Shades Sale agreement dated October 18, 2018 for a consideration of Rs. 1,07,09,600/-.

INTELLECTUAL PROPERTY RIGHTS:

TRADEMARK

We have registered following Trademark with the Trademarks Registry, Government of India. The details of trademark is as under:

Sr. no.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration Status
1.	 The logo consists of a stylized circular emblem with vertical lines and the text "Nilshikhaa INFRAA INDIA LTD." below it.	Device	9	Nilshikhaa Infraa India Limited	3399394	October 31, 2016	October 31, 2026	Registered

For further details please see the chapter titled “Government and Other Statutory Approvals on page 206 of this DRHP.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of power transmission and distribution and manufacturing of conductors and cables industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, , contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 206 of this Draft Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“MSME”) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Industrial Promotion Policy, 2014

The Policy was issued by the Government of Madhya Pradesh, Department of Commerce, Industry and Employment. The objective of the policy is to achieve inclusive growth and bring economic prosperity to the people of Madhya Pradesh. The key objectives of Industrial Policy are to Rationalization and simplification of procedures to ensure effective implementation of policy, to improve investor facilitation and enhance ease of doing business, to create an enabling environment for robust industrial growth, to achieve higher and sustainable economic growth by accelerating the growth of manufacturing and service sectors through private sector participation, to create an able and supportive regulatory and policy environment to facilitate private sector participation, to achieve inclusive industrial infrastructure development in the state, to promote environmentally sustainable industrial growth and balanced regional development, to enhance employment opportunities, to encourage growth in Madhya Pradesh’s thrust sectors (Agribusiness and Food processing, Textiles, Automotive and Auto components, Tourism, Pharmaceuticals, Bio-technology, IT/ITeS, Healthcare and Logistics and Warehousing). The State Government intends to focus on MSMEs for achieving a holistic industrial

growth which includes incentivizing MSME to enhance their competitiveness for achieving higher growth.

The Electricity Act, 2003 ("Electricity Act") and rules and regulations thereof

The Electricity Act consolidates the laws relating to generation, transmission, distribution, trading and use of electricity. It lays down provisions in relation to transmission and distribution of electricity. It states that the State Government can specify suitable measures for specifying action to be taken in relation to any electric line or electrical plant, or any electrical appliance under the control of a consumer for the purpose of eliminating or reducing the risk of personal injury or damage to property or interference with its use.

The Bureau of Indian Standards Act, 1986 ("BIS Act")

The BIS Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established by any other institution in India or elsewhere, in relation by any other institution in India or elsewhere, in relation to any article or process; (b) specifying 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 an 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.

ANTI-TRUST LAWS

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

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

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

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

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

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees Provident Fund Scheme, 1952

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

The Employees Compensation Act, 1923

The Employees Compensation Act, 1923 (“EC Act”) (and the amendments thereof) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death\ serious bodily injury.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received

as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees' Pension Scheme, 1995

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

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

The Employees' State Insurance Act, 1948 (the "ESI Act") an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

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

Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

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

Maternity Benefit Act, 1961

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

Equal Remuneration Act, 1979

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

Child Labour Prohibition and Regulation Act, 1986

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

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

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

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

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

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal

employer and the contractor. The contractor has to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957

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

TAX RELATED LEGISLATIONS

Value Added Tax

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

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

Service Tax

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

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

Central Sales Tax Act, 1956

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

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

The Central Excise Act, 1944

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

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

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

OTHER LAWS

The Factories Act, 1948 (“Factories Act”)

The Factories Act, 1948 aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of

power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Madhya Pradesh Shops and Establishments Act, 1958

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

Designs Act, 2000

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“RBI”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the company.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

History of our Company

Our Company was originally incorporated as “Nilshikhaa Infraa” a partnership firm registered under the provisions of the Partnership Act, 1932 (Reg. No. – 03/27/03/00065/14) on September 27, 2013. Subsequently, the partnership firm was converted into Public Limited Company and the name was changed to “Nilshikhaa Infraa India Limited” on August 30, 2016 under the provisions of Companies Act, 2013 vide certificate of incorporation issued by Central Registration Centre on behalf of the Registrar of Companies, Gwalior, Madhya Pradesh. Subsequently, to make our name in resemblance with the business activities and to make our projects more effective with brand , our company changed its name to “Nilshikhaa Projects Limited” pursuant to special resolution passed by the shareholders of our Company at the Extra-ordinary General Meeting held on August 17, 2019 under the provisions of Companies Act, 2013 and a fresh certificate of incorporation dated September 12, 2019 was issued by the Registrar of Companies, Gwalior, Madhya Pradesh. The CIN of the Company is U74999MP2016PLC041388.

The Promoters of our Company are Mr. Guru Prasanna Sahoo, Mr. Arvind Kumar Tripathi, Mr. Jagdish Kumar and Mr. Shivananda.

For information on our Company’s profile, activities, market, service, etc., market of each segment, capacity built-up, standing of our Company in comparison with prominent competitors, with reference to its services, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled “Our Business”, ”Our Industry”, “Financial Statements as Restated”, “Management’s Discussion and Analysis of Financial Condition and Results of Operation”, “Government and Other Statutory Approvals” beginning on page 115, 98, 182, 184, and 206 respectively of this DRHP.

For details on the government approvals, please refer to the chapter titled “**Government and Other Approvals**” on page no. 206 of this DRHP.

For further details, please refer the chapter titled '**Capital Structure**' beginning on page no. 70 of this DRHP.

Registered Office

The registered office of the Company is situated at R - 211, Mahalaxmi Nagar, Near Bombay Hospital, Indore, Madhya Pradesh – 452010. Since incorporation, the registered office address has remained the same and there is no change in the registered office address as on the date of filing this DRHP.

The current manufacturing unit of our plant is situated at 39, 40, 41-A, 41-B, 42, 43-A Industrial Area, Electronic Complex, Pardeshipura, Indore, Madhya Pradesh. For further details of our Properties, please refer to the chapter titled “**Business Overview**” beginning on page no. 115 of this DRHP.

Main object of the company

- A. To carry on contracting work in electrical, mechanical, computer, civil engineering including procurement, construction, testing and commissioning.
- B. To represent overseas principals in related fields.
- C. To manufacture and /or deal within electrical products.
- D. To carry on the business of builders, contractors, erectors, construction of buildings, houses, apartments, structures, or residential, office, industrial, institutional, or commercial or developers of housing schemes, townships, amusement parks, place of Worship, holiday resorts, hotels, motels, Shopping malls, Multiplex and in particular Preparing of building sites, constructing, reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, houses, factories, Shops, offices , garages, ware houses, buildings works workshops, hospitals, nursing homes, clinics, godowns, and other commercial, educational purposes and conveniences to purchases for development investment or for resale land, houses buildings structures and other properties of any nature and any interest therein and

purchase, sell, trade and deal in free hold and lease hold land.

- E. To manufacture electronic components for computer and defense industry and to supply, erect, and commission the same.
- F. To manufacture and / or supply and install communication and programmable logic control system.
- G. To construct, acquire, operate any power generating facilities including but not limited to Wind Mills, distributing and consumption facilities in respect of electric and other forms of power and to buy, sell, use, distribute, electric power and other forms of energy.
- H. To carry on the business of designing, manufacturing and/or supplying, erecting and maintaining power equipments, power appliances and accessories in India and abroad.
- I. To establish, own, run, manage and to carry on the business as manufacturers, producers, developers, dealers, traders, buyers, sellers, importers, exporters, designers, operators, engineers, fabricators, assemblers, converters, installers, contractors, sub-contractors, brokers, packers, re-packers, jobbers, laminators, merchants, recyclers, and/or in any other capacity in which business may be carried on all kinds of conductors, cables and wire for telephone, telegraph- telecommunication, television, signalling, controlling or monitoring for electric, electronics and power systems, transmissions, broadcasting, reception and distribution in all forms and media and for industry by using conductors such as copper, bronze, aluminium cadmium, alloys or optic fibre with any or all kinds of insulation or covering material such as plastic compounds chemicals, rubber, natural or synthetic and core unfilled or filled with petroleum jelly or equivalent and armoured or un-armoured and for use in overhead lines, underground or underwater systems, nature of form in all its branches in India or elsewhere.
- J. To act as manufacturers, buyers, sellers, importers, exporters of, or otherwise deal in all kinds of conductors of electricity in different configuration and round or grooved copper wires whether insulated or not for use in tramways, trolleys, buses, railway cranes, motor / generator windings, transformers, switch gears, lightning conductors aerials, furnaces, ship wiring, switch -boards, bells, fuses, welding and steel wires / ropes, including various compounds are armouring and filling material used for the manufacture of telephones and telecommunication cables, in all its branches in India or elsewhere.
- K. To carry on the manufacture, trade, sale, import and export of all types of optical fibre such as step index, graded index and mono mode and other types of fibres required for use in fibre optic systems and cables, for use in industrial applications, medical use, instrumentation, defence systems, signalling, telecommunication, Electrical Transmission and Distribution Network, multi channel video communication, data communication and other communication and electronic applications, in all its branches in India or elsewhere.
- L. To establish, own, run, manage and to carry on the business as manufacturers, producers, developers, dealers, traders, buyers, sellers, importers, exporters, designers, operators, engineers, fabricators, assemblers, converters, installers, contractors, sub-contractors, brokers, packers, re-packers, jobbers, laminators, merchants, recyclers, and/or in any other capacity in which business may be carried on all kinds of structural items, constructional engineering goods, accessories relates to items of different shapes & sizes, used in electrical projects, pre-engineering building projects, telephone projects, railway projects, water supply projects, sewage projects, hydraulic projects, civil construction projects, irrigation projects, agricultural projects, mechanical projects, earth work projects, Road, Highways, Culverts, Bridge, dams, barrages, canals, and other allied projects, deals through all components of Steel/metal/iron/copper/aluminium products or its by-products of every description, nature of form in all its branches in India or elsewhere.
- M. To carry on all processes like metal printing, metal anodizing, electro-plating, hot-dip galvanizing, Insulating, enameling, hardening, tempering, annealing, normalizing, carburization, surface hardening, lacquering, chemical treatment, heat and cold treatment of

iron/steel/copper/aluminum/metals in respects of products manufactured or dealt with by the Company in all its branches in India or elsewhere.

Major Events and Milestones in the History of our Company

Date/Year	Event
September 27, 2013	Incorporated as a Partnership Firm
2015	Received Rashtriya Ekta Puruskar from Art & Cultural Society, New Delhi, for outstanding support in power sector for the tribal area of Madhya Pradesh.
August 30, 2016	Conversion into a Public Limited Company
July 06, 2018	Received ISO 9001:2015 registration from TCCPL for Environment Management System.
August 16, 2018	Acquisition of Cable manufacturing unit on a slump sale and going concern basis from Ms. Electro Cable Industries.
October 09, 2018	License for use of ISI mark from Bureau of Indian Standards
January 25, 2019	Received ISO 14001:2015 registration from TCCPL for Quality Management System.
January 25, 2019	Received ISO 45001:2018 registration from TCCPL for Occupational Health and Safety Management Systems.
September 12, 2019	The name of our Company was changed from Nilshikhaa Infraa India Limited to Nilshikhaa Projects Limited

Amendments to the MOA of our Company in last ten years

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

Sr. No.	Changes In M.O.A	Date of Meeting	Type of Meeting
1	Increase in authorised capital from Rs. 12,50,00,000 divided into 1,25,00,000 Equity Shares of Rs.10 each to Rs. 17,50,00,000 divided into 1,75,00,000 Equity Shares of Rs.10 each	October 26, 2017	EGM
2	Alteration in object Clause*	April 03, 2018	EGM
3	Increase in authorised capital from 17,50,00,000 divided into 1,75,00,000 Equity Shares of Rs.10 each to 22,50,00,000 divided into 2,25,00,000 Equity Shares of Rs.10 each	July 04, 2018	EGM
4	Change in the name of Company from “Nilshikhaa Infraa India Limited” to “Nilshikhaa Projects Limited”	August 17, 2019	EGM
5	Increase in authorised capital from 22,50,00,000 divided into 2,25,00,000 Equity Shares of Rs.10 each to 25,00,00,000 divided into 2,50,00,000 Equity Shares of Rs.10 each	August 29, 2019	EGM

*Clause no I to M (as mention in the heading “Main Object of the Company” were inserted in the object clause.

Holding and Subsidiary Company

Our Company is not a subsidiary of any company. Further, as on the date of this DRHP our Company does not have any subsidiary company.

Our Company does not have a holding company as on the date of filing of this DRHP.

Joint Ventures of our Company

Our Company has not entered into any Joint Venture as on the date of filing of this DRHP.

Fund raising through equity or debt:

For details in relation to our fund raising activities through equity and debt, please refer to the chapters titled "**Restated Financial Statement**" and "**Capital Structure**" beginning on page nos. 182 and 70, respectively, of this DRHP.

Revaluation of assets

Our Company has not revalued its assets since its incorporation.

Changes in the activities of Our Company having a material effect

Other than as mentioned above in this chapter and the chapter titled "**Business Overview**" beginning on page nos. 115 of this DRHP, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors.

Mergers and acquisitions in last 10 years

Our Company has acquired "Manufacturing unit" which was into manufacturing of cables and conductors and was a running unit, on a slump sale and going concern basis from Ms. Electro Cable Industries, a proprietorship firm vide Business Purchase Agreement dated August 16, 2018,

Divestment of Business / undertaking by Company

Our company has not divested any of its business / undertaking in last 10 years from the date of this DRHP.

Defaults or Rescheduling of borrowings with financial institutions/banks

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

Time and cost overruns in setting up projects

The Industry in which our Company operates is prone to time and cost over-runs. However, in our case there have been no instances of time over-run in the execution of our past as well as ongoing projects. If our performance is considered for the projects, all the projects are either completed in time line or before the date of completion. For the projects we are executing, we have received extension for completion of projects as conditions of the locations were so severe that work could not be executed in such short span of time due to geographical conditions which is duly considered by department after survey of the projects. Further, there has been no cost over-runs consequent to such delay in execution of the projects. For further details with respect to time and cost over-run in the execution of our project please refer to risk factor "**Some of our ongoing projects may not be completed by their agreed completion dates. Such delays may adversely affect our business, results, operations or financial conditions.**"

Shareholders agreement

As on the date of this DRHP our company has not entered into any shareholders' agreement.

Other Agreements

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

Guarantees given by our promoter Selling Shareholder

In connection with the financing facilities availed by our Company, our Promoters, Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar and Shivananda, who are also Selling Shareholder have issued joint guarantee in favour of HDFC Bank Limited, State Bank of India, Union Bank of India and

Yes Bank Limited along with a Selling Shareholder, Niharika Sahoo and other members of the Promoter Group.

For further details please refer “Financial Indebtedness” chapter on page 199 of this Draft Red Herring Prospectus.

Strategic Partners

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

Financial Partners

Apart from the various arrangements with bankers and financial institutions which our Company undertake in the ordinary course of business, our Company does not have any other financial partners as on the date of this DRHP.

Capacity / Facility creation, location of plants

For details pertaining to facility creation, location of plants, please see the chapter titled “Our Business” beginning on page 115 of this DRHP.

OUR MANAGEMENT

BOARD OF DIRECTORS

Pursuant to provisions of section 149 of The Companies act, our company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) directors, provided that our Shareholders may appoint more than 15 Directors after passing a special resolution in a general meeting. Our Company currently have 7 (Seven) directors on Board, 4 (Four) Executive Directors including one Managing Director, 3 (Three) Non- Executive Directors, all of whom are Independent Directors including one Women Director.

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

Sr. No.	Name, DIN, Date of Birth, Designation, Address, Occupation, Term, and Nationality	Age (Years)	Other Directorship
1.	Name: Guru Prasanna Sahoo DIN: 06923965 Date of Birth: July 05, 1978 Designation: Managing Director Address: 15-16 Lakshya Vihar Kanadiya Indore 452016 Madhya Pradesh, India. Occupation: Business Term: 5 years (September 27, 2016 to September 26, 2021) Nationality: Indian	41	Public Limited Company Nil Private Limited Company Nilshikha Steel Structure Private Limited
2.	Name: Arvind Kumar Tripathi DIN: 06923959 Date of Birth: September 08, 1974 Designation: : Chairman and Whole Time Director Address: 37 Empair Estate Bicholi Mardana Indore 452016 Madhya Pradesh, India Occupation: Business Term: 5 years (From October 27, 2016 to October 26,2021) Nationality: Indian	45	Public Limited Company Nil Private Limited Company Nilshikha Steel Structure Private Limited
3.	Name: Jagdish Kumar DIN: 06923966 Date of Birth: January15, 1976 Designation: Whole Time Director Address: 29, Emerald Villa, Vayu Enclave, Silver Spring, Phase 2, Mundla Nayta, Indore-452020, Madhya Pradesh, India Occupation: Business Term: 5 years (From September 27, 2016 to September 26, 2021) Nationality: Indian	43	Public Limited Company Nil Private Limited Company Nilshikha Steel Structure Private Limited

Sr. No.	Name, DIN, Date of Birth, Designation, Address, Occupation, Term, and Nationality	Age (Years)	Other Directorship
4.	Name: Shivananda DIN: 06923953 Date of Birth: June20, 1978 Designation: Whole Time Director Address: 26,shrikant palace colony Bicholi Hapsi Road, Kanadia Indore - 452016 Madhya Pradesh, India Occupation: Business Term: 5 years (From September 27, 2016 to September 26, 2021) Nationality: Indian	41	Public Limited Company Nil Private Limited Company Nilshikha Steel Structure Private Limited
5.	Name: Omachyutyam Singh Chauhan DIN: 06392876 Date of Birth: November11, 1968 Designation: Independent Director Address: Daily College Business School, Daily College Campus Residency Area, Indore 452 001 Madhya Pradesh, India Occupation: Business Term: 5 years (From September 27, 2016 to September 26, 2021) Nationality: Indian	51	Public Limited Company Highway Infrastructure Limited Private Limited Company Malwa Oxygen & Industrial Gases Private Limited Neer-Ocean Multitrade Private Limited
6.	Name: Mukesh Vyas DIN: 08425231 Date of Birth: August22, 1959 Designation: : Independent Director Address: 30 Lakshya Vihar Kanadiya Road Near Sanchet Nagar Indore 452016 Madhya Pradesh, India Occupation: Business Term: 5 years (From April 22, 2019 to April 21, 2024) Nationality: Indian	60	Public Limited Company Mohini Health and Hygiene Limited Private Limited Company Nil
7	Name: Barkha Deshmukh DIN: 08562935 Date of Birth: October 07, 1993 Designation: :Additional Independent Director Address: 199- Gusa Parekh Ni Pole, Rangati Bazar, Astodia, Ahmedabad -380001 Gujarat, India Occupation: Whole Time Company Secretary Term: Till ensuing Annual General Meeting Nationality: Indian	26	Public Limited Company Nil Private Limited Company Nil

In terms of section 152 (6) of the Companies Act 2013, not less than 2/3rd of total number of Directors are liable to retire by rotation.

In terms of section 164 of the Companies Act 2013, none of the directors are disqualified for being appointed as a Director.

CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

1. None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are fugitive economic offender or are on the RBI List of wilful defaulters.
5. None of our Directors are or were directors of any Company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges.
6. None of the Promoters, persons forming part of our Promoter Group, Selling Shareholder Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
7. As on date of this Draft Red Herring, there are no such directors in the company associated with any other company in past or present whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure.
8. As on date of this DRHP, there are no such directors in the company associated with any other company in past or present whose shares have been/were delisted from being traded on the stock exchanges, during his/her tenure.

BRIEF BIOGRAPHIES OF OUR DIRECTORS

GURU PRASANNA SAHOO, PROMOTER AND MANAGING DIRECTOR

Guru Prasanna Sahoo aged 41 years, is the Promoter and Managing Director of our Company. He has been the Managing Director of our Company since inception. He is graduated in Commerce from Utkal University. He holds Masters in Business Management (M.B.A.) degree from Satyabama University, Chennai, Tamil Nadu. He has adequate experience in power transmission and distribution Industry. He has been actively involved in Financial and accounting operations of our Company. He is responsible for expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.

ARVIND KUMAR TRIPATHI, PROMOTER, CHAIRMAN AND WHOLE TIME DIRECTOR

Arvind Kumar Tripathi, aged 45 years, is Chairman and Whole Time Director of our Company. He has been the Director of our Company since inception. He is the Chairman of the Board of the company. He has completed Diploma in Industrial Electronics from Board of Technical Examinations on behalf of Government of Maharashtra. He has adequate experience in power transmission and distribution Industry. He has been actively involved in the day-to-day operations

of our Company and looks after in Project Execution and dealing with Labor Contractors of our Company.

JAGDISH KUMAR, PROMOTER AND WHOLE- TIME DIRECTOR

Jagdish Kumar, aged 43 years, is a Promoter and Whole- Time Director of Company. He has been the Director of our Company since inception. He holds Bachelor's in Technology Degree (B.E.) in Electrical Engineering from Kurukshetra University, Kurukshetra. He is actively engaged in Tendering Process and Project realization monitoring activities of the Company. He has adequate experience in power transmission and distribution Industry. His expertise and business acumen helped in the sustainable growth of the Company.

SHIVANANDA, PROMOTER AND WHOLE- TIME DIRECTOR

Shivananda, aged 41 years, is a Promoter and Whole Time Director of our Company. He has been the Director of our Company since inception. He holds Diploma in Electricals and Electronic Engineering from Board of Technical Education, Government of Karnataka. He is actively engaged in Material Purchase management of the Company and looking at the overall Manufacturing Division of the Company. He has adequate experience in power transmission and distribution Industry.

OM ACHYUTYAM SINGH CHAUHAN, INDEPENDENT DIRECTOR

Om Achyutyam Singh Chauhan, aged 51 years, is Independent Director of our Company. He was appointed as Independent Director of the Company on September 27, 2016. He is graduated in Commerce from University of Pune and has completed Master's diploma in Business Administration from Institute of Management Development and Research, Pune. He has adequate experience of working in Hospitality and Service Industry. He is also on the Board of Highway Infrastructure Limited, Malwa Oxygen & Industrial Gases Private Limited and Neer-Ocean Multitrade Private Limited.

MUKESH VYAS, INDEPENDENT DIRECTOR

Mukesh Vyas, aged 60 years, is Independent Director of our Company. He was appointed as Independent Director of the Company on April 22, 2019. He has done his Ph.D. on the subject "Study of Organizational Performance: A Training & Individual Productivity Approach". He has also completed Master Social Works - Specialization in Labour welfare & Personnel Management in 1981 from Indore University. He has completed L.L.B (Hons) from Indore University. He has done his Bachelor's in Science (B.Sc) from Rajasthan University, Ajmer (Raj.). He is also on the Board of Mohini Health and Hygiene Limited

BARKHA DESHMUKH, (ADDITIONAL) INDEPENDENT DIRECTOR

Barkha Deshmukh, aged 25 years, is Additional Independent Director of our Company. She was appointed as an (Additional) Independent Director of the Company on September 14, 2019. She holds a Bachelor's degree in Commerce (B.Com) from Gujarat Law Society, Ahmedabad affiliated with Gujarat University and Bachelor of Law and Legislation (L.L.B) from Gujarat University. She is a qualified Company Secretary by profession and is an associate member of the Institute of Company Secretaries of India. She has an experience of more than 4 years in the Secretarial Compliance. Before joining our company, she was working as a Company Secretary and Compliance officer of Chemtech Industrial Valves Limited. There she was entrusted with the responsibility of handling corporate secretarial functions of our Company.

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on September 20, 2018 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made there under, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the Company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amounts borrowed, shall not at any time exceed the limit of Rs. 15000.00 Lakhs.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

Set forth below is the remuneration received by our Directors in FY 2019.

(Amount in Rs. Lakhs)

S. No	Name	Designation	Remuneration for FY 2019
1.	Guru Prasanna Sahoo	Managing Director	86.10
2.	Arvind Kumar Tripathi	Executive & Whole Time Director	86.10
3.	Jagdish Kumar	Executive & Whole Time Director	86.10
4.	Shivananda	Executive & Whole Time Director	86.10
5.	Niharika Sahoo*	Executive Director	58.07
6.	Pooja Tripathi*	Executive Director	Nil
7.	Sangita Bharti*	Executive Director	58.07
8.	Prabha TS*	Executive Director	58.07
9.	Om Achyutayam Singh Chauhan	Independent Director	Nil
10.	Mukesh Vyas**	Independent Director	Nil
11.	Barkha Deshmukh***	Independent Director	Nil

* Niharika Sahoo, Pooja Tripathi, Sangita Bharti and Prabha TS resigned from the Directorship of the company w.e.f. August 06, 2019

** Mukesh Vyas was appointed as independent director of company in the Extra Ordinary General Meeting of the company held on April 22, 2019. Hence no remuneration paid in the Financial Year 2018-19

***Barkha Deshmukh is appointed as an Additional Independent Director of the company w.e.f September 14, 2019. Hence no remuneration paid in the Financial Year 2018-19

i. Terms and conditions of employment of our Managing Director, Guru Prasanna Sahoo

Mr. Guru Prasanna Sahoo has been the Director of our Company since inception. He was designated as the Managing Director of the company for a term of five years commencing from September 27, 2016 to September 26, 2021 in Extraordinary General Meeting of the company held on September 27, 2016.

Compensation of our Managing Director - As per the approved resolution in the Extraordinary General Meeting dated October 27, 2016, the compensation of the Managing Director is as follows:

Period	5 Years
Remuneration	Rs. 86,10,000 /- P.A.
Perquisite, Allowances and Commission	As per Schedule V of the Companies Act, 2013
Reimbursement of Expenses	All direct and indirect expenses such as mobile bills, accommodation and travelling.

** There is no definitive and /or service agreement that has been entered into between our Company and Mr. Guru Prasanna Sahoo in relation to his appointment.*

ii. Terms and conditions of employment of our Whole Time Director, Arvind Kumar Tripathi

Arvind Kumar Tripathi has been the Director of our Company since inception. He was designated as the Chairman and Whole Time of the company for a term of five years commencing, from October 27, 2016 to October 27, 2021 in Extraordinary General Meeting of the company held on October 27, 2016.

Compensation of our Whole Time Director - As per the approved resolution in the Extraordinary General Meeting dated October 27, 2016, the compensation of the Whole Time Director is as follows:

Period	5 Years
Remuneration	Rs. 86,10,000 /- P.A.
Perquisite, Allowances and Commission	As per Schedule V of the Companies Act, 2013
Reimbursement of Expenses	All direct and indirect expenses such as mobile bills, accommodation and travelling.

** There is no definitive and /or service agreement that has been entered into between our Company and Mr. Arvind Kumar Tripathi in relation to his appointment.*

iii. Terms and conditions of employment of our Whole Time Director, Jagdish Kumar

Jagdish Kumar has been the Director of our Company since inception. He was designated as the Whole Time Director of the company for a term of five years commencing, from 27, 2016 to September 26, 2021 in Extraordinary General Meeting of the company held on September 27, 2016.

Compensation of our Whole Time Director - As per the approved resolution in the Extraordinary General Meeting dated October 27, 2016, the compensation of the Whole Time Director is as follows:

Period	5 yrs
Remuneration	Rs. 86,10,000 /- P.A.
Perquisite, Allowances and Commission	As per Schedule V of the Companies Act, 2013
Reimbursement of Expenses	All direct and indirect expenses such as mobile bills, accommodation and travelling.

** There is no definitive and /or service agreement that has been entered into between our Company and Mr. Jagdish Kumar in relation to his appointment.*

iv. Terms and conditions of employment of our Whole Time Director, Shivananda

Shivananda has been the Director of our Company since inception. He was designated as the Whole Time Director of the company for a term of five years commencing, from September 27, 2016 to September 26, 2021 in Extraordinary General Meeting of the company held on September 27, 2016.

Compensation of our Whole Time Director - As per the approved resolution in the Extraordinary General Meeting dated October 27, 2016, the compensation of the Whole Time Director is as follows:

Period	5 Years
Remuneration	Rs. 86,10,000 /- P.A.
Perquisite, Allowances and Commission	As per Schedule V of the Companies Act, 2013
Reimbursement of Expenses	All direct and indirect expenses such as mobile bills, accommodation and travelling.

** There is no definitive and /or service agreement that has been entered into between our Company and Mr. Jagdish Kumar in relation to his appointment.*

Terms and conditions of our Independent Directors

Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

(i) Remuneration details of our Non- Executive Director and Independent Directors

Our Non-Executive Director is not entitled to receive any remunerations from our Company and has not been paid any remuneration during Fiscal 2019.

(ii) Sitting Fees

None of the directors except mentioned below have been paid sitting fees for the Fiscal 2019.

Sr. No.	Name of the Director	Total amount of sitting fees paid (Rs. In Lakhs)
1	Om Achyutayam Singh Chauhan	1.37
2.	Nem Chand Jain*	1.37

* Mr. Nem Chand Jain resigned from directorship of the company w.e.f. March 31, 2019

(iii) Commission

As on date of this DRHP, no commission has been paid to the Directors of the company.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. The following table details the shareholding of our Directors as on the date of this DRHP:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Offer Equity Share Capital	% of Post Offer Equity Share Capital
1.	Guru Prasanna Sahoo	45,00,000	21.43	[●]
2.	Arvind Kumar Tripathi	45,00,000	21.43	[●]
3.	Jagdish Kumar	45,00,000	21.43	[●]
4.	Shivananda	45,00,000	21.43	[●]

INTERESTS OF OUR DIRECTORS

i. Interest in Promotion of our Company

Our Directors, Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar and Shivananda, may be deemed to be interested to the extent of being Promoters of our Company. They may also be deemed to be interested to the extent of dividend, if any payable to them and other distributions in respect of the Equity Shares held by them. For further details, refer to chapters titled “Our Promoter and Promoter Group” and “Related Party Transaction beginning on page 170 and 180 of this DRHP.

Interest in the property of our Company

Except as stated in the heading titled “Land and Properties” under the chapter titled “Our Business” beginning on page 115 and chapter titled “Related Party Transaction” on page 180 of the Draft Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property acquired or proposed to be acquired of the Company or by the Company except otherwise disclosed in the heading titled “Immovable Properties” under the chapter titled “Our Business” beginning on page 115 of the Draft Red Herring Prospectus.

Interest as member of our Company

As on date of this Draft Red Herring Prospectus, our Directors together holds 1,80,00,000 Equity Shares in our Company i.e. 85.72 % of the pre - offer paid up equity share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend (if any) declared and other distributions, if any, by our Company.

Interest as a Creditor of our Company

As on the date of this Draft Red Herring Prospectus, except as stated in the chapter titled “Financial Indebtedness” on page 199 and Annexure 31 titled “Related Party Transactions” under chapter titled “Financial Statements as Restated” on page 182, our Company has not availed loans from Directors of our Company.

Interest as Director of our Company

All of our Directors, may deemed to be interested to the extent of fees and remuneration, as applicable, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and as per AOA of our Company.

The Directors may also be deemed to be interested to the extent of the Equity Shares and employees stock options, if any, held by them, directly or indirectly, and in any dividend and other distribution which may be made by our Company in the future in respect of such holding.

Interest as Key Managerial Personnel of our Company

Guru Prasanna Sahoo (Managing Director), Arvind Kumar Tripathi, Jagdish Kumar and Shivananda (Whole Time Directors), are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AOA of our Company and to the extent of Equity Shares held by them(if any) in our Company. They may also be deemed to be interested to the extent of any dividend, if any payable to them and other distributions in respect of such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to heading titled “*Related Party Transactions*” under chapter titled “*Financial Statements as Restated*” beginning on page 182 of this DRHP.

ii. Interest in transactions involving acquisition of land

Our Company has acquired the land for manufacturing Unit – II situated at Land Survey No. 676/2, 678/1, 678/2/2, 678/3, Patwari Halka No. 49, at Depalpur-Ingoria Road, Village- Baledi, Tehsil-Badnagar, District- Ujjain from our Directors and Promoters Guru Prasanna Sahoo, Arvind Kumar Tripathi, jagdish Kumar and Shivananda vide conveyance deed dated July 13, 2018. Except as stated, our Directors are not interested in any transaction with our Company involving acquisition of land, construction of building or supply of machinery. We have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

For further details please refer the heading titled “Land and Property” under chapter titled “Our Business” beginning on page 115 of this Draft Red Herring Prospectus Other Indirect Interest

Except as stated in chapter titled “*Financial Statements as Restated*” beginning on page 182 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

iii. Interest in the Business of Our Company

Except as stated in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 182 of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this DRHP.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

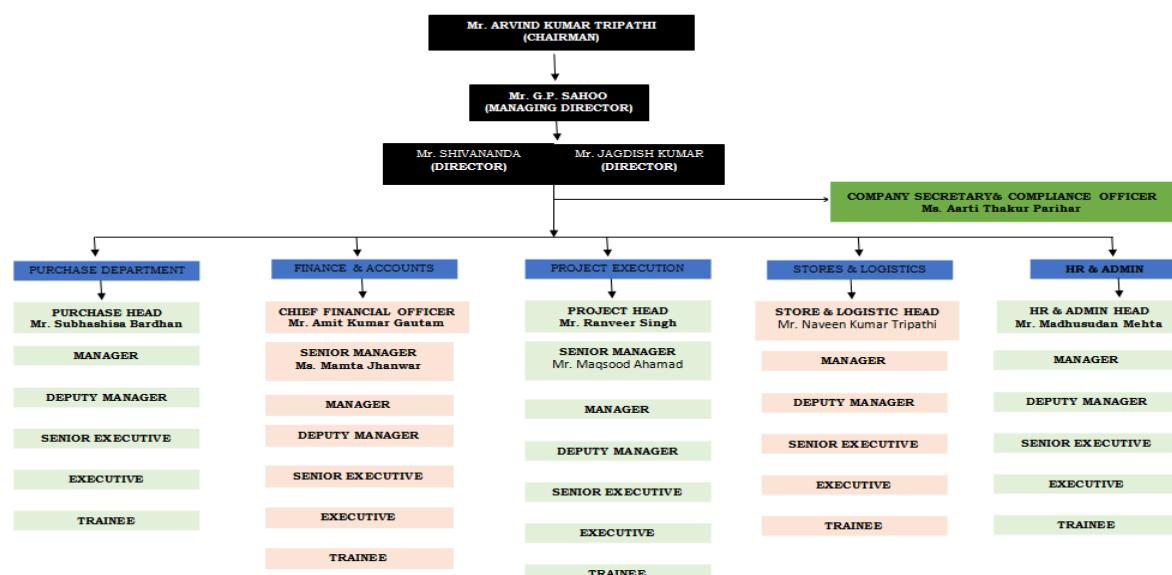
Our Company does not have any subsidiary or associate company as on date of filing this Draft Red Herring Prospectus .

CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this DRHP:

Name	Date of event	Nature of event	Reason
Arvind Kumar Tripathi	October 27, 2016	Change in Designation	Designated as Executive Whole Time Director
Niharika Sahoo	October 27, 2016	Change in Designation	Designated as Executive Whole Time Director
Sangita Bharti	October 27, 2016	Change in Designation	Designated as Executive Whole Time Director
Prabha TS	October 27, 2016	Change in Designation	Designated as Executive Whole Time Director
Nem Chand Jain	March 31, 2019	Resignation	Personal Reason
Mukesh Vyas	April 22, 2019	Appointment	Appointed as Independent Director
Niharika Sahoo	August 06, 2019	Resignation	Personal Reason
Sangita Bharti	August 06, 2019	Resignation	Personal Reason
Pooja Tripathi	August 06, 2019	Resignation	Personal Reason
Prabha TS	August 06, 2019	Resignation	Personal Reason
Barkha Deshmukh	September 14, 2019	Appointment	Appointed as Additional Independent Director

ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI (Listing Regulations and Disclosure Requirements) 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board is constituted in compliance with the Companies Act, the Listing Regulations and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company's executive management provides the Board of Directors detailed reports on its performance periodically.

Currently our Board has 7 directors out of which 3 are Independent Directors. In compliance with section 149(1) of Companies Act, 2013, we also have 1 (One) woman director on our Board. In compliance with the provisions of the Companies Act, at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the Listing Regulations, the Listing Agreement and the Companies Act, 2013, to the extent applicable.

COMMITTEES OF BOARD

The following committees have been formed in compliance with the corporate governance norms:

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee
- D) Internal Complaints Committee
- E) Corporate Social Responsibility Committee

A) AUDIT COMMITTEE

Our Company has re- constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and) Regulations, vide resolution passed in the meeting of the Board of Directors dated September 16, 2019 The constituted Audit Committee comprises following members:

Name of the Director	Type of Member	Nature of Directorship
Mukesh Vyas	Chairman	Independent Director
Omachyutam Singh Chauhan	Member	Independent Director
Guru Prasanna Sahoo	Member	Managing Director

Meeting and Quorum:

The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The Quorum for the committee meeting shall be the presence of any Two members of the committee. Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote.

In the absence of the Chairman of the audit committee from the meeting, the members of the Audit Committee shall elect one of its members as the Chairman of that Committee meeting. The Company Secretary and Compliance Officer of the Company, Ms Aarti Thakur would act as the Secretary to the Audit Committee.

Terms of reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions;
 - vii. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Draft Prospectus/ Prospectus, and making appropriate recommendations to the Board to take up steps in this matter
7. Review and monitor the auditor's independence, performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties which includes omnibus approval for related parties transactions subject to conditions as specified under rules;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism pursuant the provisions of Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with sub-section 9 and 10 of Section 177 of the Companies Act, 2013, which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
20. To investigate any other matters referred to by the Board of Directors;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

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

B) STAKEHOLDER'S RELATIONSHIP COMMITTEE

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders under provisions of section 178 of the Companies Act 2013 and Regulation 20 of the SEBI (Listing Obligations and) Regulations. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on September 16, 2019.

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Omachyutam Singh Chauhan	Chairman	Independent Director
Guru Prasanna Sahoo	Member	Managing Director

Arvind Kumar Tripathi	Member	Chairman cum Whole Time Director
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Meeting:

The Stakeholder Relationship Committee shall meet at least once in a year. Any two members of the Committee shall be present to form the valid quorum to call and conclude the meeting of the Stakeholder's Relationship Committee. The chairperson of each of the committees constituted under this section or, in his absence, any other member of the committee authorised by him in this behalf shall attend the general meetings of the company to answer queries of the security holders and for redressal of complaints received from the shareholders of the Company.

The Company Secretary of our Company, Ms. Aarti Thakur shall act as a Secretary to the Stakeholder's Relationship Committee.

Terms of reference:

Role of the Stakeholders' Relationship Committee is as follows:

Set forth below are the scope, functions and the terms of reference of our Stakeholders' Relationship Committee:

- i. Efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures, if any;
- ii. Redressal of security holder's/investor's complaints efficient transfer of shares; including review of cases for refusal of transfer/ transmission of shares and debentures;
- iii. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
- iv. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- v. Allotment and listing of shares;
- vi. Reference to statutory and regulatory authorities regarding investor grievances; and
- vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- viii. Any other power specifically assigned by the Board of Directors of the Company
 - i. The Stakeholders' Relationship Committee shall be responsible for, amongst other things, as may be required by stock exchanges from time to time, the following:
 - 1. To look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders;
 - 2. To consider and resolve grievances of the security holders of the company, including complaints in respect of transfer of shares, non-receipt of annual report and non-receipt of declared dividends, etc;
 - 3. To carry out any other function contained in the Companies Act, 2013, SEBI (LODR) Regulations, 2015, as and when amended from time to time.

C) NOMINATION AND REMUNERATION COMMITTEE

Our Company has re- constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure) Regulations. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on September 16, 2019. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
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MukeshVyas	Chairman	Independent Director
Omachyutam Singh Chauhan	Member	Independent Director
Barkha Deshmukh	Member	Additional - Independent Director

Meetings and quorum:

The nomination and remuneration committee shall meet at least once in a year. The quorum for a meeting of the nomination and remuneration committee shall be presence of any two members Decisions at the committee meetings shall be by a majority of the votes of members present at the meeting and in the event of equality of votes, the chairman shall have a second or casting vote. The Company Secretary of our Company, Aarti Thakur shall act as a Secretary to the Nomination and Remuneration Committee.

Terms of reference:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel, senior management and other employees;
- ii. Formulation of criteria for evaluation of independent directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iv. Devising a policy on Board diversity; and
- v. 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.

D) Internal complaints committee

Our Company has constituted an. Internal Complaints Committee under Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The constitution of the Internal Complaints Committee was approved by a Meeting of the Board of Directors held on September 16, 2019.

Aarti Thakur shall be the Presiding Officer of the Internal Complaints Committee.

The Internal Complaints Committee comprises the following:

Name of the Member	Type of Member	Nature
Aarti Thakur	Presiding Officer	Company Secretary and Compliance Officer
Barkha Deshmukh	Member	Independent Director (Additional Director)
MamtaJhanwar	Member	Senior Manager
Guru Prasanna Sahoo	Member	Managing Director
Amit Kumar Gautam	Member	Chief Financial Officer

Terms of reference:

- To conduct the meeting in case of any complaint received in writing from any women employees, to settle the grievances and to ensure the proper compensation in case of any misconduct, harassment with the women employees either physically or mentally.
- Provide a safe working environment at the workplace.
- Organize workshops and awareness programmes at regular intervals

E) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Our Company has constituted a CSR Committee in compliance with Section 135 of the Companies Act 2013.

The constitution of the CSR Committee was approved by a Meeting of the Board of Directors held on August 06, 2019. The said committee is comprised as under:

Name of the Director	Status	Nature of Directorship
Omachyutam Singh Chauhan	Chairman	Independent Director
Guru Prasanna Sahoo	Member	Managing Director
Arvind Kumar Tripathi	Member	Chairman and Whole Time Director

Terms of reference:

1. to formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by our Company in accordance with Schedule VII of the Companies Act;
2. to review and recommend the amount of expenditure to be incurred on the activities to be undertaken by our Company;
3. to monitor the CSR policy of our Company from time to time; and
4. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of the Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

Aarti Thakur, Company Secretary and Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company.

In addition to Guru Prasanna Sahoo (Managing Director), Arvind Kumar Tripathi, Jagdish Kumar and Shivananda (Whole Time Director) whose details are provided in –“*Brief Profile of our Directors*”, the details of our other Key Managerial Personnel as of the date of this Draft Red Herring Prospectus are set forth below.,

AMIT KUMAR KUMAR GAUTAM, CHIEF FINANCIAL OFFICER

Amit Kumar Gautam, aged 28 years, is Chief Financial Officer of the Company. He has been appointed as Chief Financial Officer of our Company w.e.f. June 10, 2019 . He holds Bachelor's degree in Commerce from Kota University. He has an overall experience of 4 years of working in Corporate Finance and dealing with all banks/ financial institutions/ NBFCs. Prior to joining our Company, he has worked Worth Corporate Solutions Pvt. Ltd. He is responsible for handling the financial operations of the Company.

AARTI THAKUR, COMPANY SECRETARY AND COMPLIANCE OFFICER

Aarti Thakur, aged 30 years, is Company Secretary and Compliance Officer of our Company. She has been appointed as Company Secretary and Compliance officer of our Company w.e.f. July 16, 2019. She holds a Bachelor degree in Commerce (B.B.A) and Master of Business Administration

(M.B.A) from, Indore. She is a qualified Company Secretary by profession and an associate member of the Institute of Company Secretaries of India. She has an experience of more than 5 years in the Accounts, Finance, Legal & Secretarial Compliance. Prior to joining our Company, she has worked with Mahakaleshwar Tollways Private Limited and Highway Infrastructure Limited. She is entrusted with the responsibility of handling corporate secretarial functions of our Company.

RELATIONSHIP OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013 and does not have any family relationship between any Key Managerial Personnel in the company. All of the Key Managerial Personnel are permanent employees of our Company.

ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

None of our Key Managerial Personnel have been appointed as Key Managerial Personnel pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as stated in the head "Shareholding of Directors in our Company" none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.

REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL

Except as mentioned below, no other current KMPs have received remuneration during the period ended on March 31, 2019 from the company for services in all capacities to the company, including contingent or deferred compensation accrued for the year, even if the compensation is payable at a later date:

Sr. No.	Name of the Director	Designation	Remuneration per annum (₹ in Lakhs)
1.	Guru Prasanna Sahoo	Managing Director	86.10
2.	Arvind Kumar Tripathi	Whole Time Director	86.10
3.	Jagdish Kumar	Whole Time Director	86.10
4.	Shivananda	Whole Time Director	86.10

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Red Herring Prospectus

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and

reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this DRHP, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “Financial Statements as Restated” beginning on page 182 of this DRHP and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The Changes in the Key Managerial Personnel in the last three years are as follows:

Name	Date of event	Nature of event	Reason
Arvind Kumar Tripathi	October 27, 2016	Change in Designation	Designated as Whole Time Director
Niharika Sahoo	October 27, 2016	Change in Designation	Designated as Whole Time Director
Sangeeta Bharti	October 27, 2016	Change in Designation	Designated as Whole Time Director
Prabha TS	October 27, 2016	Change in Designation	Designated as Whole Time Director
Neeraj Chandra Sahoo	May 18, 2019	Resignation of Chief Financial Officer	Personal Reason
Amit Kumar Gautam	June 10, 2019	Appointment	Appointed as Chief Financial Officer
Ashwin Binjwa	July 15, 2019	Resignation of Company Secretary	Personal reason
Aarti Thakur	July 16, 2019	Appointment	Appointed as Company Secretary and Compliance Officer
Niharika Sahoo	August 06, 2019	Resignation	Personal Reason
Sangeeta Bharti	August 06, 2019	Resignation	Personal Reason
Pooja Tripathi	August 06, 2019	Resignation	Personal Reason
Prabha TS	August 06, 2019	Resignation	Personal Reason

ESOP/ESPS SCHEME TO EMPLOYEES

As on date of this DRHP, our Company does not have any employee stock option plan or purchase schemes for our employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 182 of this DRHP, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar and Shivananda. As on date of this Draft Red Herring Prospectus, our Promoters hold 1,80,00,000 Equity Shares representing 85.72 % of the pre-Offer Paid up Share Capital of our Company.

Brief profile of our Promoters is as under:

	<p>Guru Prasanna Sahoo, aged 41 years, is the Managing Director of our Company. He has been on the Board of our Company since its incorporation and designated as Managing Director w.e.f. September 27, 2016. For details of his educational qualifications, experience, and other directorships, please refer to the chapter titled “Our Management” on page 153 of this Draft Red Herring Prospectus</p> <p>PAN No.: AYIPS4913L</p> <p>Aadhaar Card No.: 3006 8966 2054</p> <p>Driving License: MP09N-2016-0166073</p> <p>DIN: 06923965</p> <p>Date of Birth: July 05, 1978</p> <p>Address: 15-16, Lakshya Vihar, Kanadiya, Indore – 452016, Madhya Pradesh, India</p>
	<p>Arvind Kumar Tripathi, aged 45, is the Chairman and Whole Time Director of our Company. He has been director of our Company since incorporation and has been designated as whole Time Director w.e.f October 27, 2016. For details of his educational qualifications, experience, and other directorships, please refer to the chapter titled “Our Management” on page 153 of this Draft Red Herring Prospectus.</p> <p>PAN No.: AEZPT1295F</p> <p>Aadhaar Card No.: 6039 8191 8694</p> <p>Driving License: MP09N-2017-0279627</p> <p>DIN: 06923959</p> <p>Date of Birth: September 08, 1974</p> <p>Address: 37, Empair Estate, Bicholi Mardana, Indore – 452016, Madhya Pradesh, India</p>

	<p>Jagdish Kumar, aged 43, is a Whole Time Director of our Company. He has been director of our Company since incorporation and has been designated as whole Time Director w.e.f September 27, 2016. For details of his educational qualifications, experience, and other directorships, please refer to the chapter titled “Our Management” on page 153 of this Draft Red Herring Prospectus.</p> <p>PAN No.: AYNPK0581H</p> <p>Aadhaar Card No.: 3683 2542 4071</p> <p>Driving License: MP09N-2017-0281292</p> <p>DIN: 06923966</p> <p>Date of Birth: January 15, 1976</p> <p>Address: 29, Emerald Villa, Vayu Enclave, Silver Spring Phase 2, Mundla Nayta, Indore - 452020 Madhya Pradesh, India</p>
	<p>Shivananda, aged 41, is a Whole Time Director of our Company. He has been on the Board of our Company since incorporation and designated as Whole Time Director with effect from September 27, 2016. For details of his educational qualifications, experience, and other directorships, please refer to the chapter titled “Our Management” on page 153 of this Draft Red Herring Prospectus.</p> <p>PAN No.: BBLPS6363M</p> <p>Aadhaar Card No.: 807433882295</p> <p>Driving License: MP09-2015-0808391</p> <p>DIN: 06923953</p> <p>Date of Birth: June 20, 1978</p> <p>Address: 26, Shrikant Palace Colony, Bicholi, Hapsi Road, Kanadia, Indore – 452016, Madhya Pradesh, India</p>

DECLARATION

We confirm that the permanent account numbers, bank account details and passport numbers of our promoters will be submitted to the Stock Exchange, at the time of filing the DRHP with them.

OTHER VENTURES OF OUR PROMOTERS

Except for our Group Entities, and as set out in this chapter under heading “Promoter Group” and the chapter titled “Our Management” on page 153, our Promoters are not involved with any other venture, as a shareholder/stakeholder, proprietor, partner, promoter or director.

INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they have promoted our Company.

Our Promoters, who are also the Directors of our Company, may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company and relevant provisions of Companies Act.

Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of

the said Equity Shares in our Company. For details regarding the shareholding of our Promoter in our Company, see “Capital Structure” on page 70 of this Draft Red Herring Prospectus.

For further information, please refer to the details under the heading “*Our Management – Interest of Directors*” on page 153.

Our Promoters and Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a Director or Promoter, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Further, our Promoters are also directors on the boards of our Group Company and they may be deemed to be interested to the extent of the payments made by our Company, if any, to/from our Group Company. For the payments that are made by our Company to our Group Company, see “Restated Financial Information - Annexure 31 - Related Party Transaction” on pages F31 under the section titled “Restated Financial Information” on page 182 of this DRHP.

INTEREST IN PROPERTY, LAND, CONSTRUCTION OF BUILDING, SUPPLY OF MACHINERY

Except as disclosed in the section titled “*Our Management – Interest of Directors*” on page 153, our Promoters do not have any interest in any property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

PAYMENT OR BENEFITS TO OUR PROMOTER IN THE LAST TWO YEARS

Except as stated otherwise in the chapter titled “Related Party Transactions” on page 180 and in the sections titled “Restated Financial Information - Annexure 31 - Related Party Transaction” on page F-31 of this Draft Red Herring Prospectus, neither there has been payments or benefits paid or given to the Promoters or Promoter group during the two years prior to filing of this Draft Red Herring Prospectus nor intended to be paid or given any benefit to Promoters or Promoter group as on the date of filing of this Draft Red Herring Prospectus.

COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters Guru Prasanna Sahoo, Arvind Kumar Tripathi, Jagdish Kumar and Shivananda were partners in “Appna Engineering” an unregistered partnership, which was dissolved in financial year 2016-17.

Except as mentioned above, None of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of the DRHP

CHANGE IN THE MANAGEMENT AND CONTROL OF OUR COMPANY

There was no change in management of our Company during five years immediately preceding the date of filing of this DRHP.

PROMOTER GROUP

Our Promoter Group as defined under Regulations 2(1)(pp) of the SEBI ICDR Regulations includes the following individuals and body corporates:

(i) Individual related to our Promoters:

Relationship with Promoter	Guru Prasanna Sahoo	Arvind Kumar Tripathi	Jagdish Kumar	Shivananda
Father	Gayadhar Sahoo	Late Vijay Shanker Tripathi	Ram Charan Kumar	Subbappa
Mother	Usharani Sahoo	Ramavati Tripathi	Har Pyari Devi	Chandramma
Spouse	Niharika Sahoo	Pooja Tripathi	Sangeeta Bharati	Prabha T. S.
Brother	NA	NA	NA	
Sister	NA	Shashikala Tiwari	NA	Sumithra. S
		Shail Kumari Mishra		
Son	Aditya Prasanna Sahoo (minor)	NA	Hritish Bharati (minor)	Madhu Sudhan S (minor)
Daughter	Sanghvi Sahoo (minor)	Akansha Tripathi (minor)	Tanushka Bharti (minor)	Aishwarya Shivananda (minor)
		Rupali Tripathi (minor)		
		Pragya Tripathi (minor)		
		Avantika Tripathi (minor)		
Spouse's Father	Late Nirod Kumar Sahoo	Shailesh Kumar Dubey	Ram Anjore	Shivananda
Spouse's Mother	Tulsi Prabha Sahoo	Late Chandrawati Dubey	Kusum Lata	Vasanthamma
Spouse's Brother	NA	Alok Kumar Dubey,	Ram Prakash Varma	Kumara Swamy T. S.
		Anup Kumar Dubey	Satya Prakash Varma	
Spouse's Sister	NA	Sandhya Mishra	Anita	Geeta T. S.

(ii) Body Corporate:

Following are the Promoter Group entities:

- Nilshikha Steel Structure Private Limited
- MS Infrastructure (Partnership Firm of Shivananda and Prabha T.S.)
- DB Infrastructure (Proprietorship Firm of Arvind Kumar Tripathi)
- Jayaditya Electricals (Partnership Firm of Guru Prasanna Sahoo and Niharika Sahoo)

OTHER CONFIRMATION

None of our Promoters have been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.

Our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

There are no proceedings of violations of Securities Law committed by our Promoters in past or pending against them.

None of the Promoters, Promoter Group entities, directors or Group Companies have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from accessing or operating in

capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Other than for certain loans availed by our Company, for which our Promoters, have provided personal guarantees towards security, as of the date of this Draft Red Herring Prospectus, our Promoters have not provided any guarantees to third parties with respect to specified securities of the issuer. For further details, please refer to the chapter titled “Financial Indebtedness” beginning on page 199.

OUR GROUP ENTITIES

In accordance with the provisions of the SEBI ICDR Regulations, for the purpose of identification of "Group Companies", our Company has considered entities as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other entities as considered material by our Board. Pursuant to a resolution dated September 16, 2019 , our Board vide a policy of materiality has resolved that (i) companies in which the investment in the form of equity or loan by our Company exceeds 10% of the net worth of our Company for the last audited financial year; (ii) where our Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total revenue of our Company for the last audited financial year ; and (iii) any other company which the Board may decide to consider material.

Based on above, the following are our Group entities:

1. Nilshikha Steel Structure Private Limited
2. Jayaditya Electricals (Partnership Firm)

CONFIRMATIONS

Unless otherwise specifically stated in this section, none of the Group entities: (i) are listed on any stock exchange in India or abroad; (ii) have completed any public or rights issue in the preceding three years; (iii) have become a sick company within the meaning of the erstwhile SICA; (iv) are under winding-up; (v) have become defunct; (vi) have made an application to the relevant registrar of companies in India in whose jurisdiction such Group Company is registered in the five years preceding the date of filing this Draft Red Herring Prospectus with SEBI, for striking off its name; (vii) have received any significant notes from the auditors; (viii) had a negative net worth as of the date of their last audited financial statements, or (ix) have any pending litigation which has material impact on our Company.

OUR GROUP ENTITIES:

The details of our Group entities are provided below:

1. Nilshikha Steel Structure Private Limited (“NSSPL”)

Corporate Information:

Nilshikha Steel Structure Private Limited was incorporated on May 01, 2018 vide Certificate of Incorporation issued by Registrar of Companies, Central Registration Centre, Manesar under the provision of Companies Act, 2013. Its registered office is situated at 2nd Floor, R-211, Mahalaxmi Nagar, Near Bombay Hospital, Indore – 452001, Madhya Pradesh, India. The Corporate Identification Number is U28990MP2018PTC045700. The authorised capital is Rs.200.00 Lakhs and Paid up Share Capital is Rs. 80.00 Lakhs.

Main Object of NSSPL:

1. To establish, own, run, manage and to carry on the business as manufacturers, producers, developers, dealers, traders, buyers, sellers, importers, exporters, designers, operators, engineers, fabricators, assemblers, converters, installers, contractors, sub-contractors, brokers, packers, repackers, jobbers, laminators, merchants, recyclers, and/or in any other capacity in which business may be carried on all kinds of structural items, constructional engineering goods, accessories relates to items of different shapes & sizes, used in electrical projects, pre engineering building projects, telephone projects, railway projects, water supply projects, sewage projects, hydraulic projects, civil construction projects, irrigation projects, agricultural projects, mechanical projects, earth work projects, Road, Highways, Culverts, Bridge, dams, barrages, canals, and other allied projects, deals through all components of Steel/metal/iron/copper/aluminium products or its by-products of every description, nature of form in all its branches in India or elsewhere.

2. To carry on all processes like metal printing, metal anodizing, electro-plating, hot-dip galvanizing, Insulating, enameling, hardening, tempering, annealing, normalizing, carburization, surface hardening, lacquering, chemical treatment, heat and cold treatment of

iron/steel/copper/aluminium/metals in respects of products manufactured or dealt with by the Company in all its branches in India or elsewhere.

3. To act as consultants, advisers, technicians, designers, electrical and/or electronic engineering, to give advice and suggestion on technical and/or other electrical/electronic engineering aspects of production, construction and other electronic/electrical instruments. To carry on business of civil, mechanical, electrical and consulting engineers, agricultural engineers, aeronautical engineers, aviation engineers, construction engineers and engineers in all ranges of work whatsoever known to engineering, erectors, mechanics, manufacturers of agricultural implements and any other kind of machinery which is used for the purpose of manufacturing agriculture or for any other purpose in all its branches in India or elsewhere.

4. To carry on in India or elsewhere the Industry, Trade or business of manufacturers, fabricators, founders, smelters, engineers, converters, repairers, producers, importers, exporters, dealers, agents and suppliers of steel & all its by products including special steel and business of engineering, contracting and constructions including the design, manufacture, erection, alteration, repair and installation of plants, buildings, structure, ways, works, systems and mechanical, electrical and electronic machinery, equipment, apparatus and devices.

5. To carry on in India or elsewhere the business of contractors, consultants and supervisors for construction of building, houses, multi-story flats, offices, factories, workshops, electrical projects, water supply projects, sewage projects, hydraulic projects, civil construction projects, irrigation projects, agricultural projects, mechanical projects, earth work projects, Road, Highways, Culverts, Bridge, dams, barrages, canals, and other allied projects and to undertake such projects/ works on own, build and operate basis and to act as manufacturers, importers, exporters, buyers, sellers, repairers, stockiest and otherwise dealers of all types of plant, equipment, machinery, spare part and accessories required in connection therewith.

6. To acquire or carry on the business of metal founders, processors, turners, forgers, drawers, rollers and re-rollers of steel shafting, bars, rods, etc., in different shapes and sizes from scraps, billets, ingots including wire, nails, screws, metal hinges, plates, sheets, strips, hoops, rounds, circles, angles and alloy steel, stainless steel, any other products from steel, brass, copper, lead, zinc, nickel and any other ferrous and non-ferrous metals of all sizes, specification and description including ingot casting in electric and furnace in India or elsewhere.

7. To carry on the business of automatic, semiautomatic, manual or other types of tools, tackles, instruments, apparatus, systems & equipment, including lathes, turret-lathes, capstan lathes, engine lathes, drills, drilling machines, shaping machines, planing machines, milling machines, grinding machines, slotting machines, broaching machines, lapping machines, weighting machines, wrapping machines, filtration equipment, franking machines, hydraulic machines and pneumatic machines, punching machines and other allied goods, whether used for special operations or for general operations, and whether operated from human or electrical, magnetic, electromagnetic, chemical, electrochemical, photochemical, solar, tidal wind, nuclear, thermal, thermonuclear or other forms of energy and their parts, products, assemblies, components, instruments, raw materials, display units, control devices, elements, gadgets, circuits, micro circuits, used in machine tools including bowels, bars, slices, rounds, wafer fabrication, sheets, clips, micro clips, powders, fluids, gases, solids which may be polished, processed, coated, fused, diffused, or otherwise treated and to do all incidental acts and things necessary for the attainment of the above said objects.

8. To carry on the business as designers, researchers, developers, manufacturers, buyers, assemblers, modifiers, installers, re-conditioners, seller, hirer, sub lesser, market makers, repairers, operators, exporters, importers, distributors, provider of heat and cold treatment of iron, steel (including alloy steel) and to act as an agent, broker, consignor, indenting agent, C&F agent, representative, correspondent, franchisers, stockiest, supplier, vendor, transporter, collaborator, etc. export house and to buy, procure, improve upon, alter, manipulate, maintain, prepare for market, handle, heat, grade, mould, cast, sell, resale, operate, dispose, distribute, transport, store, forward, repair and otherwise deal in or develop all types, varieties, models, shapes, sizes, specifications, description, diameters, capacities, applications, uses and values of gadgets, implements, accessories, parts, spares, assemblies,

components, moulds, jigs, nuts, bolts, fixtures and tools, metallic or otherwise to deal in all its branches in India or elsewhere.

9. To carry on the business of Manufacturers and dealers to construct, lay – out, establish, fix and carry out all necessary cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity and light and power to cities, streets, docks, markets, theatres, buildings and places both public and private.

Following Directors are on the Board of NSSPL:

Sr. No.	Name of the Director
1.	Shivananda
2.	Arvind Kumar Tripathi
3.	Guru Prasanna Sahoo
4.	Jagdish Kumar
5.	Prabha TS
6.	Pooja Tripathi
7.	Sangeeta bharti
8.	Niharika Sahoo

Nature and Extent of Interest of Promoters:

- i. Our Promoters and Promoter group members holds 100.00% of the total issued and paid up share capital of NSSPL. Shareholding pattern of NSSPL is as follows:

Sr. No.	Name of Shareholder	No. of Equity shared held	% of Total Share Capital
1.	Arvind Kumar Tripathi	1,00,000	12.50%
2.	Guru Prasanna Sahoo	1,00,000	12.50%
3.	Jagdish Kumar	1,00,000	12.50%
4.	Shivananda	1,00,000	12.50%
5.	Niharika Sahoo	1,00,000	12.50%
6.	Pooja Tripathi	1,00,000	12.50%
7.	Prabha T.S.	1,00,000	12.50%
8.	Sangeeta Bharti	1,00,000	12.50%
Total		8,00,000	100.00%

- ii. Our Promoter, Jagdish Kumar is Managing Director, Shivananda, Arvind Kumar Tripathi and Guru Prasanna Sahoo are Whole Time Directors in NSSPL.
 iii. Our Promoters have no interest in the company except to the extent of their directorships and shareholding of our promoters and their relatives in the group company as mentioned above.

Financial Information:

(Amount Rs. In lakhs except per share figures)

Particulars	Year Ending March 31, 2019
Paid up Equity Capital	80.00
Reserves & Surplus (excluding revaluation reserves)	(2.84)
Total Revenue	0.00
Profit/Loss after tax	(2.84)
Earnings per share (Basic and Diluted)	(0.36)
Net Asset Value	9.64

Since our group company was incorporated in the FY 2018-19. No details for past financial years are available.

Significant Notes of Auditor -

There are no significant notes of the auditors in relation to the aforementioned financial statements.

2. Jayaditya Electricals (Partnership Firm):

General Information:

Jayaditya Electricals is a Partnership firm formed on September 27, 2013. Jayaditya Electricals is having its principal place of business at Plot No. 33, Orchid Enclave, Empire Metro, Jhalaria, Indore – 452 016, Madhya Pradesh, India. The Current Partner's capital of the firm is Rs.82,15,469.66/-.

Nature of Business:

Jayaditya Electricals is carrying the business of Electrical Supply, Erection works, Builders and Developer.

Interest of Promoters:

Our Promoter, Guru Prasanna Sahoo and Promoter Group member Niharika Sahoo are partners with contribution of 50.00% each in the partnership firm.

Financial Information:

(Amount in Rs. Lakhs)

Particulars	March 31, 2019	March 31, 2018	March 31, 2017
Partners' Capital	287.61	82.15	32.58
Sales	1,426.54	495.99	193.59
Net Profit	86.33	31.36	12.43

LITIGATION AGAINST GROUP ENTITIES

For details on litigations, regulatory proceedings and disputes pending against the Group entities and defaults made by them, please refer to the chapter titled, "*Outstanding Litigations and Material Developments*" on page 202 of this Draft Red Herring Prospectus.

LOSS MAKING GROUP COMPANIES

Our Group Company Nilshikha Steel Structure Private Limited has incurred losses during the financial year ended March 31, 2019.

DEFUNCT/ STRUCK-OFF COMPANY

Our Group Company has not remained defunct and no application has been made to the Registrar of Companies for striking off the name of our Group Company during the five years preceding the date of filing the Draft Red Herring Prospectus with Stock exchange.

NATURE & EXTENT OF INTEREST OF OUR GROUP ENTITIES

Interest in the promotion of our Company

Except as disclosed in "Related Party Transactions" on page 180, our Group entities do not have any interest in the promotion or any business or other interests in our Company. For further details in relation to the shareholding of our Group entities in our Company, please refer to the chapter titled "*Capital Structure*" on page 70.

Interest in the properties acquired or proposed to be acquired by our Company in the past three years before filing the Draft Red Herring Prospectus

Except as mentioned in the chapter titled "*Our Business*" under the heading Land & Property beginning on page 115 of this Draft Red Herring Prospectus, our Group entities have no interest in the properties acquired by our company in the three years preceding the filing of Draft Red Herring Prospectus or proposed to be acquired by our Company as of the date of this Draft Red Herring Prospectus.

Interest in the transactions for acquisition of land, construction of building and supply of machinery.

None of our Group entities are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

COMMON PURSUITS

Our group entities does not have any interest in any venture that is involved in any activities similar to those conducted by our Company. Our Group entities are having common pursuits with our Company as they are authorised to carry on similar activities as those conducted by Company. These entities do not have any non-compete agreements in place amongst themselves. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises.

Related Business transactions between our Company & Group entities and significance on the financial performance of our Company

Except as disclosed in "Related Party Transactions" on page 180 of this Draft Red Herring Prospectus, there are no related business transactions of our Company with its Group entities and significance of the same on the financial performance of our Company.

Business interests of group entities / subsidiaries/ associate companies in our Company

Other than as disclosed in "Related Party Transactions" on page 180 of this Draft Red Herring Prospectus, none of the group entities / subsidiaries/ associate companies have any interests in the business of our Company or interest of any other nature as on the date of this Draft Red Herring Prospectus.

Payment or benefit to our Group entities

Except as stated in chapter titled "Related Party Transactions" beginning on page 180 of this Draft Red Herring Prospectus, there has been no payment of benefits to our group entities during the financial years ended, March 31, 2019, March 31, 2018 and March 31, 2017.

OTHER DISCLOSURE

Further our Group Company has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

Our Group Entities has not been identified as willful defaulter as defined under the SEBI ICDR Regulations.

RELATED PARTY TRANSACTION

For details on related party transactions please refer to Annexure 31 – Related Party Transactions of Restated Financial Statement under the section titled, “Financial Statements” beginning on page 182 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion but not limited to the earnings, applicable legal restrictions etc. Our Company has not paid any dividend during the last three financial years and as on the date of filing of this Draft Red Herring Prospectus.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not declared any dividends during the last three Financial years immediately preceding the date of this DRHP. We may/ may not retain all our future earnings, if any, for use in the operations and expansion of our business. 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 among other, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

SECTION VI – FINANCIAL STATEMENTS
FINANCIAL STATEMENT AS RESTATED

Sr. No.	Details	Page. No.
1	Restated Standalone Financial Statements	F-1 to F-35

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED
FINANCIAL INFORMATION**

To,
The Board of Directors
Nilshikhaa Projects Limited
R-211, Mahalaxmi Nagar,
Near Bombay Hospital, Indore (M.P.) - 452010

Dear Sirs,

1. We have examined the attached Restated Financial Information of Nilshikhaa Projects Limited (the “Company” [or the “Issuer”]), comprising the Restated Statement of Assets and Liabilities as at March 31, 2019, 2018 and 2017, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the financial year ended March 31, 2019, 2018 and 2017, the restated Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Financial Information”), as approved by the Board of Directors of the Company at their meeting held on September 25, 2019, for the purpose of inclusion in the Draft Red Herring Prospectus, Red Herring prospectus and Prospectus prepared by the company in connection with its proposed Initial Public Offer of equity shares on EMERGE Platform of National Stock Exchange of India Limited (“IPO”) prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and Registrar of Companies, Madhya Pradesh in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 4 to the Restated Financial Information. The Board of Directors of the Company’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your

compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the management from the audited Financial Statements as at March 31, 2019, 2018, and 2017, prepared in accordance with Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the act which have been approved by Board of Directors.
5. For the purpose of our examination, we have relied on Auditors' reports issued by previous Auditors dated August 06, 2019, June 14, 2018, and August 28, 2017 on the financial statements of the Company as at and for the financial year ended March 31, 2019, 2018 and 2017 as referred in Paragraph [4] above.
6. The audits for the financial year ended March 31, 2019, 2018 and 2017 were conducted by the Company's previous auditors, Khandelwal Agarwal & Associates(the "Previous Auditors"), and accordingly reliance has been placed on them. The audit reports on the financial statements issued by Previous Auditors were not modified as at and for the financial year ended March 31, 2019, 2018 and 2017. We have re-audited the special purpose financial information of the Company for the financial year ended March 31, 2019 prepared by the Company in accordance with the applicable accounting standards for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to proposed IPO.
7. Based on our examination and according to the information and explanations given to us
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2019, 2018 and 2017 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
 - b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended March 31, 2019, 2018, and 2017 proposed to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus ("Offer Document") for the proposed IPO.

Annexure to Restated Financial Statements of the Company

Restated Standalone Summary Statement of Assets and Liabilities	Annexure – 1
Restated Standalone Summary Statement of Profit and Loss	Annexure – 2
Restated Standalone Summary Statement of Cash flows	Annexure – 3
Reconciliation of Restated Equity and Profit & loss	Annexure - 4A
Significant Accounting Policies and Notes to the Restated Standalone Summary Statements of Assets and Liabilities, Statement of Profits and Losses and Statement of Cash Flows	Annexure – 4B
Standalone Statement of Contingent Liabilities	Annexure – 4C
Restated Standalone Statement of Share Capital	Annexure - 5
Restated Standalone Statement of Reserves and Surplus	Annexure - 6
Restated Standalone Statement of Long Terms & Short Term Borrowings	Annexure - 7
Restated Standalone Statement of Deferred Tax	Annexure - 8
Restated Standalone Statement of Other Long-Term Liabilities	Annexure - 9
Restated Standalone Statement of Long-Term & Short Term Provisions	Annexure - 10

Restated Standalone Statement of Trade Payables	Annexure – 11
Restated Standalone Statement of Other Current Liabilities	Annexure – 12
Restated Standalone Statement of Property, Plant and Equipment and Intangible Assets and Depreciation and Amortisation expenses	Annexure – 13
Restated Standalone Statement of Intangible Assets and Depreciation and Amortisation expenses	Annexure – 14
Restated Standalone Statement of Non-current investments	Annexure – 15
Restated Standalone Statement of Long-Term & Short-Term Loans and Advances	Annexure – 16
Restated Standalone Statement of Other Non- Current Assets	Annexure – 17
Restated Standalone Statement of Trade Receivables	Annexure – 18
Restated Standalone Statement of Inventories	Annexure – 19
Restated Standalone Statement of Cash and Cash Equivalents	Annexure – 20
Restated Standalone Statement of Other Current Assets	Annexure – 21
Restated Standalone Statement of Revenue from Operations	Annexure – 22
Restated Standalone Statement of Other Income	Annexure – 23
Restated Standalone Statement of Cost of Materials Consumed	Annexure – 24
Restated Standalone Statement of Changes in Inventories of Finished Goods	Annexure – 25
Restated Standalone Statement of Employee Benefits Expenses	Annexure – 26
Restated Standalone Statement of Finance Costs	Annexure – 27
Restated Standalone Statement of Depreciation and amortisation expense	Annexure – 28
Restated Standalone Statement of Other Expenses	Annexure – 29
Summary Statement of Accounting Ratios	Annexure – 30
Standalone Statement of Related Party Transactions	Annexure – 31
Restated Statement of Tax Shelter	Annexure – 32
Summary Statement of Capitalisation	Annexure – 33

9. We, Nitin K Shah & Co, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statement mentioned in paragraph [4] above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for the purpose set forth in the first paragraph of this report. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M/s. Nitin K Shah & Co

Chartered Accountants

FRN : 107140W

Sd/-

CA Vaibhav Shah

Priyadarshini

Membership No.: 116817

Ahmedabad, September 25, 2019

Nilshikhaa Projects Limited

Annexure 1: Restated Summary Statement of Assets and Liabilities

(₹ in Lakhs)

Particulars	Annexure	As at 31 March		
		2019	2018	2017
Equity and liabilities				
Shareholders' funds				
Share capital	5	2,100.00	1,400.00	1,195.18
Reserves and surplus	6	1,363.78	430.95	107.09
		3,463.78	1,830.95	1,302.27
Non-current liabilities				
Long-term borrowings	7	593.17	595.06	226.48
Deferred tax liabilities (net)	8	-	-	-
Other long-term liabilities	9	-	-	-
Long-term provisions	10	39.93	18.65	7.99
		633.10	613.72	234.47
Current liabilities				
Short-term borrowings	7	1,872.04	561.93	548.61
Trade payables	11			
- total outstanding dues of micro and small enterprises		848.82	1,311.52	1,200.61
- total outstanding dues other than micro and small enterprises		783.10	314.44	366.56
Other current liabilities	12	2,871.28	1,815.12	2,336.73
Short-term provisions	10	61.39	0.03	16.60
		6,436.64	4,003.03	4,469.10
Total		10,533.51	6,447.70	6,005.85
Assets				
Non-current assets				
Property, plant and equipment	13	1,009.43	228.02	148.31
Intangible assets	14	110.37	-	-
Capital work-in-progress		-	-	-
Non-current investments	15	240.42	282.74	55.00
Deferred tax assets (net)	8	11.50	21.01	15.11
Long-term loans and advances	16	8.71	1.05	1.19
Other non-current assets	17	920.95	544.98	206.69
		2,301.39	1,077.80	426.30
Current assets				
Trade receivables	18	5,151.19	2,796.19	4,153.94
Inventories	19	1,881.50	746.64	596.11
Cash and bank balances	20	387.74	591.32	620.08
Short-term loans and advances	16	3.85	0.34	12.07
Other current assets	21	807.82	1,235.41	197.32
		8,232.11	5,369.89	5,579.53
Total		10,533.50	6,447.69	6,005.83
Contingent Liability	4 (c) (i)	5,090.52	2,558.56	3,140.43

Note:

The above statement should be read with the Notes to the Restated summary statement of Profit & loss, cash flows and significant Accounting Policies in Annexure 2, 3 and 4B.

As per our report of even date attached

For M/s. Nitin K Shah & Co
Chartered Accountants
Firm Registration No.: 107140W

For and on behalf of the Board of Directors
of Nilshikhaa Projects Limited

Sd/-
CA Vaibhav Shah
Proprietor
Membership No. 116817
Place : Ahmedabad
Date : September 25, 2019

Sd/-
Guru Prasanna Sahoo
Managing Director
DIN: 06923965

Sd/-
Shivananda
Whole Time Director
DIN: 06923953

Nilshikhaa Projects Limited

Annexure 2: Restated Summary Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Annexure	For the year ended 31 March		
		2019	2018	2017
Revenue	22 23			
Revenue from operations		16,374.09	10,352.90	9,128.11
Other income		62.69	58.75	68.62
Total revenue		16,436.79	10,411.64	9,196.73
Expenses	24 25 26 27 28 29			
Cost of materials consumed		1,053.76	-	-
Purchase (Project division)		10,902.06	7228.06	5789.69
Direct Cost		2243.77	1405.29	1645.39
Change in inventory		(1,075.22)	(150.53)	(161.25)
Employee benefits expense		1,001.90	1,005.00	679.60
Finance costs		325.40	157.59	192.18
Depreciation and amortisation expense		124.33	54.96	39.67
Other expenses		522.66	263.32	706.81
Total expenses		15,098.66	9,963.70	8,892.09
Profit before tax		1,338.13	447.94	304.64
Tax expense				
Current tax		395.80	129.99	115.63
Deferred tax (credit)/charge		9.50	(5.90)	(15.11)
Previous Year tax		-	-	-
Profit for the period / year		932.83	323.85	204.11
Earnings per Equity Share				
Basic & diluted		4.95	2.59	1.71

Note:

The above statement should be read with the Notes to the Restated summary statement of Assets & Liabilities, cash flows and significant Accounting Policies in Annexure 1, 3 and 4B.

As per our report of even date attached

For M/s. Nitin K Shah & Co
Chartered Accountants
Firm Registration No.: 107140W

For and on behalf of the Board of Directors
of Nilshikhaa Projects Limited

Sd/-
CA Vaibhav Shah
Proprietor
Membership No. 116817

Place : Ahmedabad
Date : September 25, 2019

Sd/-
Guru Prasanna Sahoo
Managing Director
DIN: 06923965

Sd/-
Shivananda
Whole Time Director
DIN: 06923953

Nilshikhaa Projects Limited

Annexure 3: Restated Summary Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the year ended 31 March		
	2019	2018	2017
A. Cash flow from operating activities			
Profit before tax, as restated	1,338.13	447.94	304.64
Adjustments for :			
Depreciation and amortisation expense	124.33	54.96	39.67
Finance costs	344.88	157.59	192.18
Bad debts written off	-	-	-
Gratuity Provision(Long Term)	21.27	10.66	7.99
Credit balances written back	-	-	-
(Profit) / Loss on the Sale of Fixed Assets	-	-	0.89
Tax Expenses of Partnership Firm	-	-	-
Finance Income	(62.69)	(58.75)	(69.51)
Operating profit before working capital changes	1,765.92	612.41	475.86
Changes in working capital:			
Increase / (decrease) in trade payables, liabilities and provisions	2,438.17	(382.98)	2,304.29
(Increase) / decrease in trade receivables	(2,355.00)	1,357.76	(2,511.42)
(Increase) / decrease in loans and advances and other assets	(710.79)	(1,190.20)	(89.58)
Cash generated from / (utilised in) operations	1,138.29	397.00	179.15
Less : Income tax*	(395.80)	(129.99)	(115.63)
Net cash flow generated from/ (utilised in) operating activities (A)	742.49	267.01	63.52
B. Cash flow from investing activities			
Sale of property, plant and equipment (including intangible assets and intangible assets under development)	-	-	2.15
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(1,016.11)	(134.67)	(21.50)
Investments on Fixed Deposits having maturity of more than 12 months	(375.97)	(338.29)	(251.50)
Interest received	62.69	58.75	67.79
Proceeds from Mutual funds	42.32	(285.86)	11.91
Security Deposits	(7.67)	0.14	(0.56)
Dividend received	-	-	-
Net cash flow utilised in investing activities (B)	(1,294.73)	(699.93)	(191.71)
C. Cash flow from financing activities			
Repayment of long-term borrowings			
Proceeds of long-term borrowings	(40.72)	356.93	(28.99)
Dividend paid	-	-	-
Proceeds from / (repayment of) short-term borrowings (net)	34.26	-	273.02
Financial Expenses	(344.88)	(157.59)	(192.18)
Proceeds from issuance of shares	700.00	204.82	100.00
Net cash flow generated from/ (utilised in) financing activities (C)	348.66	404.16	151.84
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	(203.58)	(28.76)	23.65
Cash and cash equivalents at the beginning of the period/ year	591.32	620.08	596.43
Cash and cash equivalents at the end of the period/ year	387.74	591.32	620.08
(Refer Annexure 19)			

Note:

The above statement should be read with the Notes to the Restated summary statement of Assets & Liabilities, profit & loss and significant Accounting Policies in Annexure 1, 3 and 4B.

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

As per our report of even date attached

For and on behalf of the Board of Directors

of Nilshikhaa Projects Limited

For M/s. Nitin K Shah & Co
Chartered Accountants
Firm Registration No.: 107140W

Sd/-

CA Vaibhav Shah
Proprietor
Membership No. 116817

Sd/-

Guru Prasanna Sahoo
Managing Director
DIN: 06923965

Sd/-

Shivananda
Whole Time Director
DIN: 06923953

Place : Ahmedabad
Date : September 25, 2019

Nilshikhaa Projects Limited

Annexure 4A: Statement of Changes in Equity and Profit & Loss

K. Restatement adjustments, Material groupings and Non-adjusting items

(a) Impact of restatement adjustments

(₹ in Lakhs)

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	For the year ended 31 March		
	2019	2018	2017
Profit after tax as per audited financial statements	957.77	332.31	241.84
Adjustments to net profit as per audited financial statements	0.00	0.00	0.00
Prior period expenses	0.00	0.00	0.00
- Gratuity Adjustment	(21.31)	(10.68)	(8.01)
- Rates and taxes	(2.22)	2.22	(29.72)
- Expenses(duties and taxes)	(1.42)		
Total adjustments	(24.94)	(8.46)	(37.73)
Restated profit after tax for the period/ years	932.83	323.85	204.11

Note:

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

(ii) Reconciliation Between Restated Equity and Audited Equity:

Particulars	For the year ended 31 March		
	2019	2018	2017
Equity as per Audited Balance Sheet	3503.75	1847.40	1310.27
Difference due to change in Profit & Loss Account			
Prior period expenses	-	-	-
- Gratuity Adjustment	(21.31)	(10.68)	(8.00)
- Rates and taxes	(2.22)	2.22	-
Prior period Adjustment	(16.45)	(8.00)	-
Equity as per Restated balance Sheet	3,463.78	1,830.95	1,302.27

(b) Explanatory notes for the restatement adjustments

During the years ended at March 2019 , 2018 and 2017, the profit differ from that of the Audited financials of the respective years as the management had not considered creation of provision for Gratuity which has now been considered in the restated financials for FY 2018-19 and before.

(d) Material regrouping

- i. With effect from April 1 2014, Schedule III notified under the Companies Act, 2013 has become applicable to the Company for preparation and presentation of its financial statements. Revised Schedule VI notified under the Companies Act, 1956 became applicable to the Company from April 1, 2012, for preparation and presentation of its financial statements. The adoption of Schedule III / Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. Further, there is no significant impact on the presentation and disclosures made in the financial statements on adoption of Schedule III as compared to Revised Schedule VI.
- ii. Appropriate adjustments have been made in the Restated 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 , prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended).

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Nilshikhaa Projects Limited

Annexure 4A: Statement of Notes to Restated Financial Information

Background of the Company

Nilshikhaa Projects Limited, a limited company, incorporated under the provisions of the Companies Act, 2013 on 30th August, 2016 and having its registered office in Indore (M.P.) at R-211, Mahalaxmi Nagar, Near Bombay Hospital, Indore (MP). The Company was converted from a partnership firm to a limited company and consequently, has changed its name from Nilshikhaa Infraa to Nilshikhaa Infraa India Limited, the same being registered with Registrar of Companies on 30th August, 2016 . The Company is registered to undertake Electrification related activities which include setting up of infrastructure for Distribution and Transmission related activities. Further in the current financial year, the company has expanded its business by backward integration via purchasing a running manufacturing unit which was engaged into manufacturing of cables and conductors. In addition, the company has bagged projects in Maharashtra and Odisha in addition to its last geographical reach within Madhya Pradesh in FY 2018-19.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of financial statements

The Restated Summary Statement of Assets and Liabilities of the Company as at 31 March 2019, 2018 and 2017, the Restated Summary Statement of Profit and Loss and the Restated Summary Statement of Cash Flows for the period/ years ended 31 March 2019, 2018, and 2017 and the annexures thereto (herein collectively referred to as 'Restated Financial Information') have been compiled by the management of the Company from the then audited financial statements of the Company for the period/ years ended 31 March 2019, 31 March 2018 and 31 March 2017 and have been prepared specifically for the purpose of inclusion in the Offer Document to be filed by the Company with the SME portal of National Stock Exchange of India Limited ('NSE')

These aforementioned audited financial statements were prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on accrual basis. These audited financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Act/ Companies Act, 1956, as applicable.

The Restated Financial Information have been prepared to comply in all material aspects with the requirements of Section 26(1)(b) of the Act read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time).

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. Based on nature of products/services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The aforementioned Restated Financial Information have been prepared in Indian Rupee (INR)

USE OF ESTIMATES

The preparation of Restated Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful

debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

INTANGIBLE ASSETS

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete the asset.
- Its ability to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of adequate resources to complete the development and to use or sell the asset.
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

During the period of development, the asset is tested for impairment annually. Amortisation of the asset begins when development is complete and the asset is available for use. Internally generated intangible assets are amortised on a straight line basis over the period of four years. Amortisation is recognised in the Statement of Profit and Loss for the Manufacturing Unit acquired by the company in FY 2018-19 on account of Goodwill being recognized.

DEPRECIATION

Tangible Fixed Assets

The Company provides pro-rata depreciation on additions and disposals made during the year. The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Nature of Asset	Useful Life
Buildings	60 years
Plant and machinery	15 years
Office equipment	5 years
Computer equipment	3 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

The useful lives for these assets is as per the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

BORROWING COSTS

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

IMPAIRMENT OF ASSETS

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on its eventual disposal.

Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment

INVESTMENTS

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realisable and intended to be held for not more than a year are valued at lower of cost and net realisable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

REVENUE RECOGNITION

- a) Revenue from services is recognised when the provision of services is complete and there is either no unfulfilled obligations on the Company or unfulfilled obligations are inconsequential or perfunctory and will not affect the customer's final acceptance of the services.
- b) Revenue from fixed price contracts are recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. Provisions for future estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current estimates.
- c) Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.
- d) Interest income is recognised on time proportion basis.

EMPLOYEE BENEFITS

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences etc. are recognised in the period in which the employee renders the related service

Post-employment benefits:

a. Defined contribution plans:

The Company's state governed provident fund and ESIC are its defined contribution plans. The contribution paid/payable under the scheme is recognised during the period in which the employee renders the related service.

b. Defined benefit plans:

The Company has defined benefit plan in the form of gratuity. The same is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the compensated absences is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Accounting For Taxes on Income

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Where there is no unabsorbed depreciation / carry forward loss, deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Annexure 4B: Statement of Notes to the Restated Financial Information**C. Contingent liabilities and commitments****(i) Contingent liabilities**

Particulars	As at 31 March		
	2019	2018	2017
Claims against the Company not acknowledged as debt			
Bank Guarantees			
State Bank of India	1,303.50	1,303.50	1,303.50
Union Bank of India	1,086.31	440.22	1,022.09
HDFC Bank	1,152.88	-	-
Yes Bank Limited	1,547.83	814.84	814.84
	5,090.52	2,558.56	3,140.43

D. Segment reporting**NOT APPLICABLE****E. Expenditure in foreign currency on accrual basis****NOT APPLICABLE**

Particulars	For the year ended 31 March		
	2019	2018	2017
Legal and professional expenses	-	-	-
Travelling and conveyance	-	-	-
Professional fees for technical consultants	-	-	-
Bank charges	-	-	-
Sales promotion expenses	-	-	-
	-	-	-

F. Earning in foreign currency on accrual basis**NOT APPLICABLE**

Particulars	For the year ended 31 March		
	2019	2018	2017
Export of products and services	-	-	-

G. The Company has not entered into operating lease agreements for any such facilities which in turn is directly associated with the business activities or are cancellable in nature.

NOT APPLICABLE

Particulars	For the year ended 31 March		
	2019	2018	2017
Lease rent	-	-	-

H. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

NOT APPLICABLE

Particulars	As at 31 March		
	2019	2018	2017
Receivables (Amounts in USD)	-	-	-
Receivables (Amounts in ₹)	-	-	-
Receivables (Amounts in AED)	-	-	-
Receivables (Amounts in ₹)	-	-	-

Nilshikhaa Projects Limited**Annexure 4B: Statement of Notes to the Restated Financial Information****I. Corporate Social Responsibility (CSR)**

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of the average net profits earned during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company from the financial years beginning 1 April 2019 as the company only in FY 2018-19 crossed net profit of ₹ 5 crore.

J. During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 and the details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination Notes	Total
Closing cash on hand as at 8 November 2016	1.24	1.09	2.33
Add: Permitted receipts	-	5.43	5.43
Add: Amount withdrawn from bank	-	-	-
Add: Amount Deposited in Banks	(1.24)	-	(1.24)
Less: Permitted payments	-	(5.86)	(5.86)
Closing cash on hand as at 30 December 2016	-	0.66	0.66

* The term ‘Specified Bank Notes’ shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8 November 2016.

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Nilshikhaa Projects Limited

Annexure 5: Restated Statement of Share capital

(₹ in Lakhs)

Particulars	As at 31 March		
	2019	2018	2017
Authorised share capital			
Equity shares of ₹ 10 each			
- Number of shares (in lakhs)	225.00	175.00	125.00
- Amount in ₹	2,250.00	1,750.00	1,250.00
	2,250.00	1,750.00	1,250.00
Issued, subscribed and fully paid up			
Equity shares of ₹ 10 each			
- Number of shares (in lakhs)	210.00	140.00	119.52
- Amount in ₹	2,100.00	1,400.00	1,195.18
	2,100.00	1,400.00	1,195.18

a) Reconciliation of equity share capital

Particulars	As at 31 March		
	2019	2018	2017
Balance at the beginning of the period/year			
- Number of shares (in lakhs)	140.00	119.52	-
- Amount in ₹	1,400.00	1,195.18	-
Add: Shares issued during the period/year			
- Number of shares (in lakhs)	70.00	20.48	119.52
- Amount in ₹	700.00	204.82	1,195.18
Balance at the end of the period/year			
- Number of shares (in lakhs)	210.00	140.00	119.52
- Amount in ₹	2,100.00	1,400.00	1,195.18

Nilshikhaa Projects Limited

Annexure 5: Restated Statement of Share capital

b) Shareholders holding more than 5% of the shares of the Company

Particulars	As at 31 March		
	2019	2018	2017
Equity shares of ₹ 10 each			
Mr. Guru Prasanna Sahoo			
- Number of shares (in lakhs)	45.00	32.00	27.38
- Percentage holding (%)	21.43%	22.86%	22.91%
Mr. Shivanada			
- Number of shares (in lakhs)	45.00	32.00	27.38
- Percentage holding (%)	21.43%	22.86%	22.91%
Mr. Jagdish Kumar			
- Number of shares (in lakhs)	45.00	32.00	27.38
- Percentage holding (%)	21.43%	22.86%	22.91%
Mr. Arvind Kumar Tripathi			
- Number of shares (in lakhs)	45.00	32.00	27.38
- Percentage holding (%)	21.43%	22.86%	22.91%

c) Rights, preferences and restrictions attached to equity

The Company has equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders.

Nilshikha Projects Limited

Annexure 6: Restated Statement of Reserves and surplus (₹ in Lakhs)

Particulars	As at 31 March		
	2019	2018	2017
A. Surplus in the Restated Summary Statement of Profit and Loss			
Balance at the beginning of the period/year	430.95	107.09	-
Add : Transferred from the Restated Summary Statement of Profit and Loss	932.83	323.85	204.11
Less: Transitional adjustment on account of Schedule II to Companies Act, 2013*	-	-	(28.80)
Less: Profit of firm brought forward as USL from directors	-	-	(68.22)
Balance at the end of the period/year	1,363.78	430.95	107.09
	1,363.78	430.95	107.09

*The change of constitution of the entity from a partnership firm to a public limited company through conversion has caused application of Schedule II of Companies Act, 2013. Due to which the Company has used transitional provisions of Schedule II to adjust the impact of accounting treatment arising on its first application in Reserve and Surplus of Audited Balance Sheet as on 31st March, 2017. Consequently, amount of Rs. 2,880,737 has been debited to Reserves & Surplus of the company.

The details of the said entry are as under:

Particulars	Debit (Rs)	Credit (Rs.)
Building	1.43	-
Computers, Laptops & Accessories	0.66	-
Computer Software A/c	-	0.22
Furniture & Fixtures	-	3.18
Motor Vehicle	-	18.09
Office Equipments	-	3.46
Tools & Spares	-	0.02
Air Conditioners	-	1.39
CCTV Camera HD	-	0.20
Currency Counting Machine	-	0.00
LED TV	-	1.13
Microwave Oven	-	0.06
Printer & Scanners	-	0.37
Refrigerator	-	0.27
Safety Locker	-	0.03
Washing Machine	-	0.42
Water Purifier	-	0.16
Mobile	-	1.90
Effect of Transitional Provision in Reserve & Surplus	28.80	-
Total	30.89	30.89

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Annexure 7: Restated Statement of Long-Term Borrowings

(₹ in Lakhs)

Particulars	As at 31 March					
	2019		2018		2017	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Secured						
(a) Term loans Banks						
HDFC Bank Limited	62.81	-	-	-	-	-
Yes Bank Limited	30.78	-	65.85	-	-	-
ICICI Bank Finance	-	-	-	-	-	-
-	-	-	-	-	-	-
(b) Term loans from others	-	-	-	-	-	-
Tata Motors Finance	-	-	-	-	-	1.36
-	-	-	-	-	-	-
(c) Loans Repayable on Demand	-	-	-	-	-	-
Working capital loan from banks	-	1,787.72	-	561.93	-	547.25
Working capital loan from others	-	-	-	-	-	-
	93.59	1,787.72	65.85	561.93	-	548.61
Unsecured						
(c) Loans from Related Parties	358.72	-	178.19	-	226.25	-
-	-	-	-	-	-	-
(d) Term loans	-	-	-	-	-	-
From banks	66.23	-	120.32	-	-	-
From others	74.63	84.32	230.70	-	-	-
	499.58	84.32	529.21	-	226.25	-
Security Deposits	-	-	-	-	0.23	-
	593.17	1,872.04	595.06	561.93	226.48	548.61

The above mention working capital loans is secured by the following securities:-

a. Primary Security:

Exclusive charge by way of hypothecation of company's entire current assets including stocks of raw materials, semi-finished and finished goods, consumable stores and spares and such other movables, book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, on a form and manner satisfactory to the bank.

b. Collateral Security:

- Plot No.211Sector R Mahalaxmi Nagar Village Pipliyakumar Indore 2800 Sq Ft.
- Plot No 5 & 6 (Private Plot No 15 and 16) Lakshya Vihar Kanadia Road Indore area 2086 Sq Ft.
- Plot No 26 Shrikant Palace Khajrana Near Bengali Square Indore area 2000 Sq Ft.
- Plot No 37 Empire State Bicholi Mardana bypass road area 2800 Sq Ft.
- House No 29 Emerald Villa, Vayu Enclave, AB Road Silver Spring Township Phase-II Mundla Nayta Indore area 4245
- Diverted Land- Survey No 179/3/1/I/1 Part 179/2/31/K/1, P/H No.25 Warsd No 76 Villa, Bicholi Mardana, Indore area
- Diverted Land- Survey No 676/2, 678/1, 678/2/2 & 678/3 PH No. 49, Gram Baledi, Tehsil Badnagar, Distt. Ujjain, MP
- FDR of Rs. 25 Lacs
- FDR of Rs. 33.50 Lacs
- Union Capital Protection Oriented Fund - Series 7 amounting to Rs.40 Lacs
- Plot no. 39,40 & 41-A Industrial area Electronix Complex Pardesipura, Tehsil & Dist. Indore M.P. 452001
- Plot no. 43-A, 42 & 41-B Industrial area Electronix Complex Pardesipura, Tehsil & Dist. Indore M.P.

Nilshikhaa Projects Limited

Annexure 7(a): Principal terms and conditions of Long-term borrowings as at 31st March, 2019

Sr. no.	Name of the lender	Currency of loan	Sanctioned amount (₹)	Principal amount outstanding as on 31st March, 2019 (₹)	Current Maturities of the borrowing	Rate of interest (p.a.)	Tenure of the loan (in months)	Repayment schedule of loans	Pre-payment and penalty	(₹ in Lakhs)	
										Security	
1	HDFC Bank	INR	6.88	6.41	2.13	9.15%	36	Equated monthly installments of Rs. 22034 last due 10 December 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
2	HDFC Bank	INR	6.88	6.41	2.13	9.15%	36	Equated monthly installments of Rs. 22034 last due 10 December 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
3	HDFC Bank	INR	6.88	6.41	2.13	9.15%	36	Equated monthly installments of Rs. 22034 last due 10 December 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
4	HDFC Bank	INR	6.75	5.96	0.83	9.51%	36	Equated monthly installments of Rs. 21,610 last due 5 October 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
5	HDFC Bank	INR	6.75	5.96	0.83	9.51%	36	Equated monthly installments of Rs. 21,610 last due 5 October 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
6	HDFC Bank	INR	6.75	5.96	0.83	9.51%	36	Equated monthly installments of Rs. 21,610 last due 5 October 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
7	HDFC Bank	INR	6.75	5.96	0.83	9.51%	36	Equated monthly installments of Rs. 21,610 last due 5 October 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
8	HDFC Bank	INR	6.75	5.96	0.83	9.51%	36	Equated monthly installments of Rs. 21,610 last due 5 October 2021.	NA	Loan is secured against hypothecation of Bolero Pick-Up	
9	HDFC Bank	INR	8.13	7.18	2.56	9.25%	36	Equated monthly installments of Rs. 25,948 last due 5 October 2021.	NA	Loan is secured against hypothecation of Mahindra Bolero	
10	HDFC Bank	INR	8.00	7.26	2.50	9.15%	36	Equated monthly installments of Rs. 25,589 last due 7 November 2021.	NA	Loan is secured against hypothecation of Mahindra Bolero	
11	HDFC Bank	INR	7.98	7.45	2.47	9.15%	36	Equated monthly installments of Rs. 25,589 last due 7 November 2021.	NA	Loan is secured against hypothecation of Mahindra Bolero	
12	HDFC Bank	INR	7.98	7.45	2.47	9.15%	36	Equated monthly installments of Rs. 25,589 last due 7 November 2021.	NA	Loan is secured against hypothecation of Mahindra Bolero	
13	HDFC Bank	INR	7.98	7.45	2.47	9.15%	36	Equated monthly installments of Rs. 25,589 last due 7 November 2021.	NA	Loan is secured against hypothecation of Mahindra Bolero	
14	Yes Bank	INR	14.80	7.92	5.14	7.85%	36	Equated monthly installments of Rs. 46,910 last due 8 November 2020.	NA	Loan is secured against hypothecation of Ashok Leyland Truck	
15	Yes Bank	INR	14.80	7.92	5.14	7.85%	36	Equated monthly installments of Rs. 46,910 last due 8 November 2020.	NA	Loan is secured against hypothecation of Ashok Leyland Truck	
16	Yes Bank	INR	14.80	7.92	5.14	7.85%	36	Equated monthly installments of Rs. 46,910 last due 8 November 2020.	NA	Loan is secured against hypothecation of Ashok Leyland Truck	
17	Yes Bank	INR	14.80	7.92	5.14	7.85%	36	Equated monthly installments of Rs. 46,910 last due 8 November 2020.	NA	Loan is secured against hypothecation of Ashok Leyland Truck	
18	Yes Bank	INR	14.80	7.92	5.14	7.85%	36	Equated monthly installments of Rs. 46,910 last due 8 November 2020.	NA	Loan is secured against hypothecation of Ashok Leyland Truck	
19	Yes Bank	INR	14.80	7.92	5.14	7.85%	36	Equated monthly installments of Rs. 46,910 last due 8 November 2020.	NA	Loan is secured against hypothecation of Ashok Leyland Truck	
20	Yes Bank	INR	18.50	13.56	5.91	7.80%	36	Equated monthly installments of Rs. 57,453 last due 15 May 2021.	NA	Loan is secured against hypothecation of Innova Car	
21	Yes Bank	INR	11.23	6.11	3.97	7.80%	36	Equated monthly installments of Rs. 36,268 last due 22 September 2020.	NA	Loan is secured against hypothecation of Hydra Crane	
22	Yes Bank	INR	11.23	6.11	3.97	7.80%	36	Equated monthly installments of Rs. 36,268 last due 22 September 2020.	NA	Loan is secured against hypothecation of Hydra Crane	
23	Yes Bank	INR	11.23	6.11	3.97	7.80%	36	Equated monthly installments of Rs. 36,268 last due 22 September 2020.	NA	Loan is secured against hypothecation of Hydra Crane	
24	Aditya Birla Finance Ltd.	INR	29.92	22.98	16.49	16.50%	24	Last Due on 5 November 2020	NA	Unsecured Loans	
25	Axis Bank Ltd	INR	30.00	27.67	14.24	15.50%	24	Equated monthly installments of Rs. 146,174 last due on 5 January 2021.	NA	Unsecured Loans	
26	Capital First Ltd (Presently Known as IDFC First Bank)	INR	51.00	50.12	28.01	17.00%	24	Last Due on 2 November 2020	NA	Unsecured Loans	
27	Fullerton India Credit Company Ltd.	INR	40.00	37.13	18.93	17.50%	18	Equated monthly installments of Rs. 2,62,106 last due on 5 July 2020.	NA	Unsecured Loans	
28	HDFC Bank Ltd	INR	25.00	16.03	8.60	16.25%	36	Equated monthly installments of Rs. 88,202 last due on 4 December 2020	NA	Unsecured Loans	
29	India Infoline Finance Ltd	INR	35.00	12.75	12.75	16.50%	24	Last Due on 3 February 2020	NA	Unsecured Loans	
30	Indusind Bank Ltd.	INR	40.00	31.84	16.90	16.61%	24	Last Due on 4 November 2020	NA	Unsecured Loans	
31	Indiabulls IVL Finance Ltd	INR	30.29	12.58	12.58	16.50%	24	Last Due on 5 March 2020	NA	Unsecured Loans	
32	Kotak Mahindra Bank Ltd.	INR	75.00	56.56	40.80	17.00%	24	Last Due on 10 October 2020	NA	Unsecured Loans	
33	Magma Fincorp Ltd.	INR	55.00	43.39	34.06	16.50%	24	Last Due on 7 November 2020	NA	Unsecured Loans	
34	Ratnakar Bank Ltd.	INR	50.00	40.75	26.08	16.50%	24	Last Due on 5 November 2020	NA	Unsecured Loans	
35	Religare Finvest Ltd.	INR	30.30	3.07	3.03	16.46%	18	Last Due on 1 May 2019	NA	Unsecured Loans	
36	United Petro Finance Ltd.	INR	40.00	35.73	19.06	17.50%	24	Equated monthly installments of Rs. 200,000 last due on 28 December 2020.	NA	Unsecured Loans	
37	Voltion Credit & Holdings Private Ltd. (Presently known as Ambit Finvest Private Limited)	INR	25.14	16.27	14.48	18.00%	36	Equated monthly installments of Rs. 90,872 last due on 5 December 2020.	NA	Unsecured Loans	

Nilshikhaa Projects Limited

Annexure 8: Deferred tax

Particulars	As at 31 March (₹ in Lakhs)		
	2019	2018	2017
Deferred tax liabilities			
Depreciation and amortisation	-	-	-
	-	-	-
Deferred tax assets			
Depreciation and Amortisation	11.50	21.01	15.11
Provision for doubtful debts			
Provision for employee benefits			
	11.50	21.01	15.11
Deferred tax assets / (liabilities)	11.50	21.01	15.11

Annexure 9: Restated Statement of Other long-term liabilities

Particulars	As at 31 March		
	2019	2018	2017
-	-	-	-
	-	-	-

Annexure 10: Restated Statement of Provisions

Particulars	As at 31 March					
	2019		2018		2017	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Provision for employee benefits						
Provision for gratuity (refer note (a))	39.93	0.07	18.65	0.03	7.99	0.01
Others						
Provision for tax (net of advance tax)		56.38	-	-	-	16.59
Provision for Expense		4.95	-	-	-	-
	39.93	61.39	18.65	0.03	7.99	16.60

Note:

(a) Gratuity

The Company provides for gratuity benefit under a defined benefit retirement scheme (the “Gratuity Scheme”) as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

Nilshikhaa Projects Limited

Annexure 10: Restated Statement of Provisions

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 31 March		
	2019	2018	2017
Change in benefit obligation			
Projected benefit obligation (PBO) at the beginning of the period / year	18.68	8.01	-
Service cost	10.87	11.42	8.01
Interest cost	1.44	0.59	-
Actuarial loss/(gain)	8.99	(1.34)	
Benefits paid			
PBO at the end of the period / year	39.99	18.68	8.01
Net gratuity cost comprises*:			
Service cost	10.87	11.42	8.01
Interest cost	1.44	0.59	-
Recognised net actuarial loss/ (gain)	8.99	(1.34)	-
Net gratuity costs	21.31	10.68	8.01

* These expenses have been recognised under Annexure 23

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Discount rate	7.77%	7.73%	7.39%
Rate of increase in compensation levels	10.00%	10.00%	10.00%
Mortality rate	IALM Mortality- Tables (2006-08) Ultimate	IALM Mortality- Tables (2006-08) Ultimate	IALM Mortality- Tables (2006-08) Ultimate
Retirement age	58	58	58

Details of present value of obligation, plan assets and experience adjustments:

Particulars	As at 31 March		
	2019	2018	2017
Present value of obligation	39.99	18.68	8.01
Fair value of plan assets	-	-	-
Deficit	39.99	18.68	8.01
Experience adjustments:			
On plan liabilities:- (gain) / loss	-	-	-
On plan assets:- gain / (loss)	-	-	-

Nilshikhaa Projects Limited

Annexure 11: Restated Statement of Trade payables

(₹ in Lakhs)

Particulars	As at 31 March		
	2019	2018	2017
Dues of micro and small enterprises (refer note below)	848.82	1311.52	1200.61
Dues other than micro and small enterprises	783.10	314.44	366.56
	1,631.92	1,625.96	1,567.17

Note: Micro and Small Enterprises

The Company has obtained necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the ‘Act’) and hence disclosures regarding the following

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Annexure 12: Restated Statement of Other current liabilities

Particulars	As at 31 March		
	2019	2018	2017
Contractor's Performance Security	368.94	673.47	275.52
Contractors' Retention	385.40	1.79	-
Vendor's Performance Security	537.99	579.04	1883.38
Sundry Creditors for Expenses	100.52	51.13	45.86
Employees' Payable	188.86	0.08	100.49
Advance Received from customer	123.90	-	-
Taxes & Duties Payable	38.12	186.51	21.17
LC Creditors	789.91	284.27	0.00
Current Maturity of Long Term Debts	337.63	38.82	10.31
	2,871.28	1,815.12	2,336.73

Annexure 13: Restated Statement of Property, plant and equipment

(₹ in Lakhs)

Gross block	Land	Building	Computer and Data Processing	Electrical Equipment	Factory Shed and Structure	Furnitures & Fitting	Motor vehicles	Office Equipment	Plant & Machinery	Total
Balance as at 31 March 2016	-	-	-	-	-	-	-	-	-	-
Additions		66.13	13.95	14.19		9.74	51.23	20.28	0.84	176.35
Disposals	-	-	0.14			-	-			0.14
Balance as at 31 March 2017	-	66.13	13.80	14.19	-	9.74	51.23	20.28	0.84	176.21
Additions	-	-	1.29	16.25		0.61	70.31	0.52	45.69	134.67
Disposals	-	-	0.64	-		-	-	-		0.64
Balance as at 31 March 2018	-	66.13	14.45	30.44	-	10.35	121.54	20.80	46.54	310.24
Additions	414.08	-	10.37	10.72	118.13	9.26	107.01	11.02	210.03	890.61
Disposals	-	-	-	-		-	-	-		-
Balance as at 31 March 2019	414.08	66.13	24.82	41.15	118.13	19.60	228.55	31.82	256.57	1,200.85

Accumulated depreciation and amortisation

Balance as at 31 March 2016	-	-	-	-	-	-	-	-	-	-
Depreciation charge		1.93	3.50	4.61		1.58	10.77	5.46	0.10	27.94
Reversal on disposal of assets		0.05								0.05
Balance as at 31 March 2017	-	1.93	3.45	4.61	-	1.58	10.77	5.46	0.10	27.89
Depreciation charge		3.13	6.69	8.62		2.17	25.03	6.87	2.46	54.96
Reversal on disposal of assets	-	-	0.64	-		-	-			0.64
Balance as at 31 March 2018	-	5.05	9.49	13.22	-	3.76	35.80	12.33	2.55	82.21
Depreciation charge		2.97	5.43	10.19	12.89	2.59	44.20	6.49	24.43	109.20
Reversal on disposal of assets	-	-	-	-		-	-	-	-	-
Balance as at 31 March 2019	-	8.03	14.93	23.41	12.89	6.34	80.01	18.82	26.99	191.41

Net block										
Balance as at 31 March 2017	-	64.20	10.35	9.58	-	8.15	40.45	14.83	0.75	148.31
Balance as at 31 March 2018	-	61.08	4.95	17.21	-	6.59	85.74	8.47	43.98	228.02
Balance as at 31 March 2019	414.08	58.10	9.89	17.74	105.24	13.26	148.54	13.00	229.58	1,009.43

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Nilshikha Projects Limited

(₹ in Lakhs)

Annexure 14: Restated Statement of Intangible assets

Gross block	Goodwill on purchase of manufacturing unit	Total
Balance as at 31 March 2018	-	-
Additions	125.50	126
Disposals	-	-
Balance as at 31 March 2019	125.50	125.50
Accumulated amortisation		
Balance as at 31 March 2018	-	-
Amortisation charge	15.13	15
Balance as at 31 March 2019	15.13	15.13
Net block		
Balance as at 31 March 2018	-	-
Balance as at 31 March 2019	110.37	110.37

Annexure 15: Restated Statement of Non-current investments

Particulars	As at 31 March		
	2019	2018	2017
Mutual Fund			
SBI Mutual Fund DAF-XIX- held as margin money for SBI Bank Guarantee	15.00	15.00	15.00
Union Capital Protection Oriented Fund -Series 7-	40.00	40.00	40.00
Union Prudence Fund- held as margin money for UBI			-
Cash Credit and Bank Guarantee Facility	181.78	227.22	
Union Small and Midcap Fund Regular Plan (SIP)	3.64	0.52	-
	240.42	282.74	55
Quoted Investments			
Particulars	As at 31 March		
	2019	2018	2017
Aggregate amount of Quoted investments	240.42	282.74	55

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Annexure 16: Restated Statement of Loans and advances

(₹ in Lakhs)

Particulars	As at 31 March					
	2019		2018		2017	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Unsecured, considered good (unless otherwise stated)						
Security deposits	8.71	-	1.05	-	1.19	-
Tender deposits	-	-	-	-	-	-
Advance tax (net of provisions)	-	-	-	-	-	-
Advances to related parties	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Advance to employees and others	-	3.85	-	0.34	-	12.07
Balances with government authorities	-	-	-	-	-	-
Advances recoverable in cash or in kind or for value to be received	-	-	-	-	-	-
	8.71	3.85	1.05	0.34	1.19	12.07

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Nilshikhaa Projects Limited

Annexure 17: Restated Statement of Other non-current assets (₹ in Lakhs)

Particulars	As at 31 March		
	2019	2018	2017
Unsecured, considered good (unless otherwise stated)			
Bank deposits with maturity of more than 12 months	920.95	544.98	206.69
Interest accrued but not due on fixed deposits and others	-	-	-
Trade receivables	-	-	-
	920.95	544.98	206.69

Annexure 18: Restated Statement of Trade receivables

Particulars	As at 31 March		
	2019	2018	2017
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	-	-	-
Unsecured, considered doubtful	-	-	-
Less Provision for doubtful debts	-	-	-
	-	-	-
Other debts (for a period not exceeding 6 months)			
Unsecured, considered good	5151.19	2796.19	4153.94
	5,151.19	2,796.19	4,153.94

Annexure 19: Inventories

Particulars	As at 31 March		
	2019	2018	2017
Raw Materials	45.81	-	-
Work In Progress	13.83	-	-
Finished Goods	1821.86	746.64	596.11
	1,881.50	746.64	596.11

Annexure 20: Restated Statement of Cash and bank balances

Particulars	As at 31 March		
	2019	2018	2017
Cash and cash equivalents			
Cash in hand	4.51	0.60	0.23
Balances with banks	-	-	-
- in current accounts	140.06	463.03	74.42
- Fixed Deposit with Banks having maturity less than 12 months	243.17	127.68	545.43
	387.74	591.32	620.08
	387.74	591.32	620.08

Annexure 21: Restated Statement of Other current assets

Particulars	As at 31 March		
	2019	2018	2017
Current investment	3.12	3.12	1.30
Accrued Interest on Fixed Deposits	108.33	69.70	58.60
Prepaid Expenses	29.19	29.92	32.86
Advance to Supplier	72.90	45.16	62.15
Balance with Statutory Authorities	132.05	162.05	25.24
Performance Security	439.28	925.47	17.18
Compensation Receivable from MSETCL	22.96	-	-
	807.82	1,235.41	197.32

Annexure 22: Restated Statement of Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31 March		
	2019	2018	2017
Revenue from operations			
Sale of work contract services	15573.56	10352.90	9128.11
Sale of Manufactured goods products	800.53	-	-
Other operating revenue	-	-	-
	16,374.09	10,352.90	9,128.11

Annexure 23: Restated Statement of Other income

Particulars	For the year ended 31 March		
	2019	2018	2017
Interest Received on LC	1.06	-	-
Interest on FDR & Deposits	61.23	58.75	55.67
STCG on Mutual Fund	0.41	-	1.72
Rent Received	-	-	1.30
Insurance Refund	-	-	0.95
LD Charges recovered	-	-	8.42
Miscellaneous Income	-	-	1.45
Profit/ (Loss) on sale of fixed Asset	-	-	(0.89)
	62.69	58.75	68.62
Profit before tax	1,338.13	447.94	304.64
% of other income to profit before tax	5%	13%	23%

Note:

- (a) All the items of other income are related to business activities. Further, out of all the items of other income only interest income from deposits are recurring and the remaining are non-recurring in nature.
- (b) The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.

Annexure 24: Cost of Material Consumed

Particular	For the year ended 31 March		
	2019	2018	2017
Opening Stock	-	-	-
Add: Purchase of raw material	1113.40	-	-
Less: Closing stock	(59.64)	-	-
	1,053.76	-	-

Annexure 25: Change in Inventory

Particular	For the year ended 31 March		
	2019	2018	2017
Opening Stock	746.64	596.11	434.86
Less: Closing stock	(1,821.86)	(746.64)	(596.11)
	(1,075.22)	(150.53)	(161.25)

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Annexure 26: Restated Statement of Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31 March		
	2019	2018	2017
Salaries, wages and bonus	897.19	913.65	634.34
Contribution to provident fund and other funds	79.79	71.60	29.10
Provision for Gratuity	21.31	10.68	8.01
Staff welfare expenses	3.61	9.08	7.97
Trainee Expenses	-	-	0.19
	1,001.90	1,005.00	679.60

Annexure 27: Restated Statement of Finance costs

Particulars	For the year ended 31 March		
	2019	2018	2017
Interest expense	190.09	115.74	35.37
Other borrowing costs	135.32	41.86	156.81
	325.40	157.59	192.18

Annexure 28: Restated Statement of Depreciation and Amortisation Expense

Particulars	For the year ended 31 March		
	2019	2018	2017
Depreciation and Amortisation Expense (Refer Annexure 13 and 14)	124.33	54.96	39.67
	124.33	54.96	39.67

Nilshikhaa Projects Limited

Annexure 29: Restated Statement of Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March		
	2019	2018	2017
Auditor's Remuneration (Refer note below)	8.00	5.00	7.20
Sitting Fees of Independent Director	2.75	2.00	2.00
Stock Audit Fee	0.20	-	-
Water Charges	0.10	-	-
Renovation Expenses	18.03	-	-
Professional Fees	39.94	4.69	11.25
AKVN Fees	0.13	-	-
BIS Certificate Fees	6.45	-	-
Bad Debts on account of NBFC	0.39	-	-
License Renewal Fee	0.15	-	-
Travelling Conveyance	23.29	9.14	10.46
Boarding & Lodging Charges	10.55	3.32	3.83
Electricity Charges	21.80	4.19	3.79
Fuel Expenses (Car & Bikes)	58.98	44.34	26.65
Preliminary Expenses	-	-	10.72
Printing & Stationaries	9.68	4.92	5.43
Claim for Deficient Supply	-	63.04	-
Software Maintenance Expenses	6.39	0.12	-
Late Filling Fees	0.56	-	-
Interest on delayed payment of statutory dues	19.48	2.33	8.64
ROC Filling Fee	4.58	3.83	0.22
Telephone & Fax Charges	1.82	1.86	4.26
Postage & Courier Expenses	1.25	0.58	0.11
Vehicle Repair and Maintenance	10.02	13.18	10.96
Repair, Maintenance & Other Office Expenses	46.46	15.85	15.33
Donation	0.10	0.10	-
Books & Periodicals	0.13	-	0.03
LD Charges	10.44	19.07	-
Legal & Other Documentation Charges	40.58	2.07	1.00
Registration & Subscription Fees	1.31	-	-
Insurance Charges	31.12	27.73	26.60
Selling Expenses	12.08	5.79	14.01
Rental Expenses	21.32	11.84	12.16
Taxes & Duties	114.61	18.34	463.15
Interest to Partners	-	-	55.39
Quality Testing Charges	-	-	10.09
Tendering Fees	-	-	3.47
Advertisement Expenses	-	-	0.07
	522.66	263.32	706.81

Note: Auditor's remuneration (excluding tax)

Particulars	For the year ended 31 March		
	2019	2018	2017
As auditor			
Statutory audit	8.00	5.00	7.20
Tax audit	-	-	-
Reimbursement of expenses	-	-	-
	8.00	5.00	7.20

Nilshikhaa Projects Limited

Annexure 30: Restated Statement of Accounting and other ratios

(₹ in Lakhs)

Sr. no.	Particulars	As at and for the year ended 31 March		
		2019	2018	2017
A	Net worth, as restated (₹)	3,464	1,831	1,302
B	Profit after tax, as restated (₹)	933	324	204
	Weighted average number of equity shares outstanding during the period/ year			
C	No. of Shares for Basic Earnings(In Lakhs)	210.00	140.00	119.52
D	No. of Shares for Diluted earnings (In Lakhs)	188.52	124.90	119.52
	Earnings per share			
E	Basic earnings per share (₹) (B/C)	4.44	2.31	1.71
F	Diluted earnings per share (₹) (B/D)	4.95	2.59	1.71
G	Return on Net Worth (%) (B/A*100)	26.93%	17.69%	15.67%
H	Number of shares outstanding at the end of the period/ year	210	140	120
I	Net asset value per equity share of ₹ 10 each (₹) (A/H)	16.49	13.08	10.90
J	Face value of equity shares (₹)	10.00	10.00	10.00

Notes :-

- 1) The ratios have been computed in the following manner :
 - a) Basic and Diluted earnings per share (₹)

Restated Profit after tax attributable to equity sh
Weighted average number of equity shares

outstanding during the period/year
Restated Profit after tax

Restated Net worth as at period/ year end
Restated Net Worth as at period/ year end

Total number of equity shares as at period/ year
 - b) Return on net worth (%) =

Restated Profit after tax
Restated Net Worth as at period/ year end
 - c) Net asset value per share (₹)

Restated Net Worth as at period/ year end
Total number of equity shares as at period/ year
- 2) The figures disclosed above are based on the Restated Financial Information of the Company.
- 3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as
- 6) Net worth for the ratios represents sum of share capital and reserves and surplus (surplus in the Restated Summary Statement of Profit and Loss).
- 7) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4B.

Nilshikhaa Projects Limited

Annexure 31: Restated Statement of Related party disclosures

(a) Names of related parties and description of relationship:

Nature of related parties	Description of relationship
Mr. Guru Prasanna Sahoo	Managing Director
Mr. Jagdish Kumar	Whole Time Director
Mr. Shivananda	Whole Time Director
Mr. Arvind Kumar Tripathi	Chairman Cum Whole Time Director
Mrs. Niharika Sahoo	Spouse of Mr. Guru Prasanna Sahoo
Mrs. Sangeeta Bharti	Spouse of Mr. Jagdish Kumar
Mrs. Prabha	Spouse of Mr. Shivananda
Mrs. Pooja Tripathi	Spouse of Mr. Arvind Kumar Tripathi
Mrs. Ramawati Devi	Mother of Mr. Arvind Kumar Tripathi
M/s Nilshikhaa Steel Structure Private Limited	Group Concerns of the Company
M/s MS Infraa Structures	Sister Concerns of the Company
M/s DB Infraa Structures	Sister Concerns of the Company
M/s Appna Engineering	Sister Concerns of the Company
M/s Jayaditya Electricals	Sister Concerns of the Company

b) Transactions with related parties:

(₹ in Lakhs)

Particulars	As at and for the year ended 31 March		
	2019	2018	2017
Mr. Guru Prasanna Sahoo			
Loan Taken	263.80	42.00	12.70
Loan Repaid	122.38	13.02	9.72
Remuneration	41.82	67.39	30.65
TOTAL	427.99	122.42	53.07
Mr. Jagdish Kumar			
Loan Taken	395.02	66.00	133.18
Loan Repaid	223.68	33.14	4.46
Remuneration	41.82	67.40	30.65
TOTAL	660.52	166.54	168.29
Mr. Shivananda			
Loan Taken	314.20	70.00	38.07
Loan Repaid	174.75	29.74	1.04
Remuneration	41.82	67.40	30.65
TOTAL	530.77	167.13	69.76
Mr. Arvind Kumar Tripathi			
Loan Taken	267.36	35.00	12.70
Loan Repaid	122.38	1.05	56.58
Remuneration	41.82	67.40	30.65
TOTAL	431.56	103.45	99.93
Mrs. Niharika Sahoo			
Loan Taken	45.00	20.00	-
Loan Repaid	-	18.41	0.46
Remuneration	19.57	46.46	19.95
TOTAL	64.57	84.87	20.41
Mrs. Sangeeta Bharti			
Loan Taken	45.00	6.00	-
Loan Repaid	-	4.41	0.46
Remuneration	19.57	46.46	17.12
TOTAL	64.57	56.87	17.58
Mrs. Prabha T.S.			
Loan Taken	65.00	5.00	-
Loan Repaid	-	3.41	0.49
Remuneration	19.57	46.46	17.12
TOTAL	84.57	54.87	17.62

Particulars	As at and for the year ended 31 March		
	2019	2018	2017
Mrs. Pooja Tripathi			
Loan Taken	45.00	48.41	-
Loan Repaid	-	46.82	0.35
Remuneration	-	-	-
TOTAL	45.00	95.23	0.35
Mrs. Ramawati Devi			
Remuneration	19.58	46.49	17.15
TOTAL	19.58	46.49	17.15
M/s M S Infrastructure			
Contractor Services	72.02	108.66	126.68
Purchases	34.65	59.21	-
Payment for Services & Purchases	35.74	152.36	18.16
TOTAL	142.41	320.22	144.83
M/s DB Infrastructure			
Contractor Services	413.54	113.74	18.42
Purchases	-	-	-
Payment for Services & Purchases	223.22	35.00	53.07
TOTAL	636.76	148.74	71.49
M/s Jayaditya Electricals			
Loan Taken	-	10.00	-
Loan paid	-	10.00	-
Contractor Services	314.83	81.57	126.80
Purchases	453.17	358.16	-
Payment for Services & Purchases	1,137.06	397.93	105.38
TOTAL	1,905.06	857.65	232.18
M/s Appna Engineering			
Loan Taken	-	-	115.00
Loan Paid	-	-	115.00
Rent	-	-	0.78
Sales	-	80.23	-
TOTAL	-	80.23	230.78
M/s Nilshikha Steel Structure Private Limited			
Loan Taken	75.00	-	-
TOTAL	75.00	-	-

Nilshikha Projects Limited

Annexure 31: Restated Statement of Related party disclosures

c) Balances with related parties (as at period/year-end)

(₹ in Lakhs)

Particulars	As at March 31		
	2019	2018	2017
TRADE RECEIVABLE(CONTRACTOR SERVICES)			
Group/Sister Concerns			
D B Infrastructure	-	23.72	-
TOTAL	-	23.72	-
UNSECURED LOAN			
KMP of the company			
Mr. Guru Prasanna Sahoo	25.00	12.88	28.99
Mr. Jagdish Kumar	144.42	98.23	102.81
Mr. Shivananda	64.30	52.77	55.36
Mr. Arvind Kumar Tripathi	30.00	14.31	25.45
Mrs. Niharika Sahoo	-	-	3.41
Mrs. Sangeeta Bharti	-	-	3.41
Mrs. Prabha	20.00	-	3.41
Mrs. Pooja Tripathi	-	-	3.41
SUB TOTAL(A)	283.72	178.19	226.25
Group/Sister Concerns			
Nilshikha Steel Structure Private Limited	75.00	-	-
SUB TOTAL(B)	75.00	-	-
TOTAL (A+B)	358.72	178.19	226.25
REMUNERATION PAYABLE			
KMP of the company			
Mr. Guru Prasanna Sahoo	13.94	-	11.46
Mr. Jagdish Kumar	13.94	-	11.46
Mr. Shivananda	13.94	-	11.46
Mr. Arvind Kumar Tripathi	13.94	-	11.46
Mrs. Niharika Sahoo	19.57	-	7.24
Mrs. Sangeeta Bharti	19.57	-	7.24
Mrs. Prabha	19.57	-	7.24
Mrs. Pooja Tripathi	-	-	-
Mr. Neeraj Chandra Sahoo	0.64	-	0.37
Mr. Ashwin Binjwa	0.12	-	0.12
SUB TOTAL(A)	115.23	-	68.04
Relatives of the KMP of the Company			
Mrs. Ramawati Devi	19.58	-	7.24
SUB TOTAL(B)	19.58	-	7.24
TOTAL (A+B)	134.81	-	75.28
CONTRACTOR PAYABLE			
Group/Sister Concerns			
M S Infrastructure	77.28	129.27	85.41
D B Infrastructure	380.78	121.79	-
Jayaditya Electricals	143.32	-	37.35
TOTAL	601.39	251.06	122.76
VENDOR PAYABLE			
Group/Sister Concerns			
Jayaditya Electricals	89.34	152.74	-
TOTAL	89.34	152.74	-

Annexure 32: Statement of tax shelter

(₹ in Lakhs)

Particulars	For the year ended 31 March			
	2019	2018	2017	
			Firm	Company
Profit before tax, as restated (A)	1,338.13	447.94	78.22	226.42
Tax rate (%) (B)	29.12%	27.55%	30.90%	31.96%
Tax expense at nominal rate [C= (A*B)]	389.66	123.42	24.17	72.36
Adjustments				
Permanent differences				
Prior period expenses		1.07	-	-
STCG on Mutual Fund (Hybrid)	(0.41)			
STCG on Union Asset Allocation Fund				(0.39)
Sale of Fixed Assets				(0.26)
Interest/penalties on delayed payment of tax:	12.87	1.58		0.55
Adjustment on account of Section 35D under Income tax Act, 1961	(2.14)	(2.14)		8.57
Adjustment on account of Section 43B under Income tax Act, 1961	0.23	0.82		14.20
Disallowance on account of Section 40A(7)	21.31	10.68		8.01
Disallowance on account of Section 40(b)	-	-	16.07	
Other Adjustments	-	-	1.89	(0.23)
Total permanent differences (D)	31.95	12.10	17.96	30.45
Timing differences				
Depreciation difference as per books and as per tax	(10.25)	11.79	-	11.56
Adjustment on account of Section 40(a)(ia) under Income tax Act, 1961	(0.82)	-	-	-
Total timing differences (E)	(11.08)	11.79	-	11.56
Deduction under Chapter VI-A (F)	(0.05)	(0.05)	-	-
Net adjustments(G)=(D+E+F)	20.83	23.84	17.96	42.01
Tax impact of adjustments (H)=(G)*(B)	6.07	6.57	5.55	13.43
Short Term Capital Gain (I)	0	-	-	0.39
Tax rate On STCG (J)	17.47%		30.90%	31.96%
Tax expense on capital gains [K= I*(J)]	0.07	-	-	0.13
Tax expenses (L= C+H+K) (derived)	395.80	129.99	29.72	85.91
Current tax expense as per Restated Summary Statement of Profit and Loss	395.80	129.99	29.72	85.91
MAT Rate	20.59%	20.39%	-	20.39%
MAT	280.16	93.51	-	47.80

Note : Since, tax as per normal provisions of Income Tax Act,1961 is always more than the tax calculated as per provisions of Minimum Alternate Tax, hence company always pays tax on normal provisions of Income Tax Act, 1961

Notes:

1. The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 (as amended).
2. The permanent/timing differences for the years ended 31 March 2019, 2018 and 2017 have been computed based on the Income-tax returns filed for the respective years after giving adjustments to restatements, if any
3. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.
4. The above statement should be read with the Statement of Notes to the Standalone Financial Information of the Company.

Nilshikhaa Projects Limited

Annexure 33: Restated Statement of Capitalisation

Particulars	Pre Issue as at 31 March 2019	Post Issue (₹ in Lakhs)
Borrowings		
Short- term	1,872.04	[•]
Long- term (including current maturities) (A)	930.80	[•]
Total Borrowings (B)	2,802.85	[•]
Shareholders' funds		
Share capital	2,100.00	[•]
Reserves and surplus	1,363.78	[•]
Total Shareholders' funds (C)	3,463.78	[•]
Long- term borrowings/ equity* {(A)/(C)}	0.27	[•]
Total borrowings / equity* {(B)/(C)}	0.81	[•]

* equity= total shareholders' funds

Notes:

- 1 Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in other current liabilities).
- 2 The above ratios have been computed on the basis of the Restated Standalone Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Standalone Financial
- 4 The corresponding post issue figures will be calculated on finalisation of issue price and the number of shares on conclusion of the book building process.

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OTHER FINANCIAL INFORMATION

For details of Other Financial Information please refer to “Annexure 30 – Restated Summary of Accounting Ratios” on page F-30 under chapter titled “Restated Financial Information” beginning on page 182 of this Draft Red Herring Prospectus.

Also for Capitalisation Statement refer the “Annexure 33 – Restated Summary Statement of capitalisation” on page F-35 under chapter titled “Restated Financial information” beginning on page 182 of this Draft Red Herring Prospectus.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the years ended March 31, 2019, 2018 and 2017 including the related notes and reports, included in this Draft Red Herring Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 28 and 20, respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

BUSINESS OVERVIEW:

We are in the business of Engineering, Procurement and Construction ("EPC") contracting focused on power infrastructure sector. We undertake turnkey projects of government and private institutions under the various Central and state government electrification schemes. Our EPC business primarily operates in the sector of Transmission and Distribution (T&D) under the power infrastructure space. We have recently started manufacturing of conductors and cables that are majorly utilized in laying of power transmission and distribution lines.

Our Company was originally formed as Partnership firm in the name and style of M/s. Nilshikhaa Infra at Indore, Madhya Pradesh pursuant to deed of partnership dated September 27, 2013. Nilshikhaa Infra was thereafter converted into a Public Limited Company under the Companies Act, 2013 under the name of "Nilshikhaa Infraa India Limited" vide Certificate of Incorporation dated August 30, 2016 issued by the Central Registration Centre bearing Corporate Identification Number U74999MP2016PLC041388. Subsequently, the name of our company was changed to "Nilshikhaa Projects Limited" and a fresh Certificate of Incorporation dated September 12, 2019 was issued by the Registrar of Companies, Gwalior, Madhya Pradesh.

Initially, we have been awarded contracts on sub-contract basis. Thereafter, based on the track record of timely completion of projects, our company started participating in the tender as a main contractor. Our Company has undertaken various contracts for Transmission and Distribution from government enterprises such as Madhya Pradesh Paschim Kshetra Vidyut Vitran Company Limited (MPPKVCL), Maharashtra State Electricity Transmission Company Limited (MSETCL) and NTPC Limited under Government funded schemes. Our Company also undertakes projects from private enterprises on sub-contract basis.

Since 2013, our company has executed contracts worth Rs. 46,350.00 Lakhs for Construction of New 11 KV Line, LT lines, installation of 25 KVA & 16 KVA - 11/0.4 KV Distribution X-mer, Sub-Station, additional 11 KV Bay, Augmentation of Existing 33/11 KV Sub Station and service Lines for various government schemes including rural electrification to BPL customers under the schemes of Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), SSTD and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya) Scheme in Madhya Pradesh, Maharashtra and Odisha.

Our total order book as on August 31, 2019 stood at Rs. 13,113.00 Lakhs consisting of 12 projects, of which 7 are electricity transmission projects and 5 are electricity distribution projects.

Our company has entered into manufacturing of customized cables and conductors for turnkey projects to provide extending electricity services to our clients. Our company has acquired the manufacturing unit from M/S. Electro Cable Industries vide Business Transfer Agreement dated August 16, 2018. Our manufacturing facility is situated at 39, 40, 41-A, 41-B, 42, 43-A, Industrial Area, Electronic Complex, Pardeshipura, Indore, Madhya Pradesh which is well equipped with requisite plant and machineries and other facilities. We also have our in-house design, laboratory and R&D division which enables our company to manufacture quality and customized products as per requirement of our customers

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Limited exposure of demographic areas;
- Highly regulated and technical industry;
- Fluctuations in Raw materials prices;
- Dependency on few Customers; and
- Economic and Demographic conditions.

SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES

The preparation of Restated Financial Information in conformity with GAAP requires that the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

INTANGIBLE ASSETS

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Its intention to complete the asset.
- Its ability to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of adequate resources to complete the development and to use or sell the asset.

- The ability to measure reliably the expenditure attributable to the intangible asset during development.

During the period of development, the asset is tested for impairment annually. Amortisation of the asset begins when development is complete and the asset is available for use. Internally generated intangible assets are amortised on a straight line basis over the period of four years. Amortisation is recognised in the Statement of Profit and Loss for the Manufacturing Unit acquired by the company in FY 2018-19 on account of Goodwill being recognized.

DEPRECIATION

Tangible Fixed Assets

The Company provides pro-rata depreciation on additions and disposals made during the year. The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Nature of Asset	Useful Life
Buildings	60 years
Plant and machinery	15 years
Office equipment	5 years
Computer equipment	3 years
Furniture and fixtures	10 years
Motor Vehicles	8 years

The useful lives for these assets is as per the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

BORROWING COSTS

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

IMPAIRMENT OF ASSETS

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on its eventual disposal.

Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment

INVESTMENTS

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realisable and intended to be held for not more than a year are valued at lower of cost and net realisable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

REVENUE RECOGNITION

- a) Revenue from services is recognised when the provision of services is complete and there is either no unfulfilled obligations on the Company or unfulfilled obligations are inconsequential or perfunctory and will not affect the customer's final acceptance of the services.
- b) Revenue from fixed price contracts are recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. Provisions for future estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current estimates.
- c) Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.
- d) Interest income is recognised on time proportion basis.

EMPLOYEE BENEFITS

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences etc. are recognised in the period in which the employee renders the related service

Post-employment benefits:

a. Defined contribution plans:

The Company's state governed provident fund and ESIC are its defined contribution plans. The contribution paid/payable under the scheme is recognised during the period in which the employee renders the related service.

b. Defined benefit plans:

The Company has defined benefit plan in the form of gratuity. The same is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short-term employee benefits. The obligation towards the compensated absences is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Accounting For Taxes on Income

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Where there is no unabsorbed depreciation / carry forward loss, deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of revenue from engineering procurement and construction (“EPC”) services, undertake turnkey projects of government and private sector under power transmission and distribution sector. Our company also takes projects on sub-contract basis as a part of EPC services. We are also manufacturers of conductors and cables that are majorly utilized in laying of power transmission and distribution lines. Further we do use these products being manufactured for in-house utilization in project division and also are sold to other customers in the market undertaking projects of Distribution and Transmission.

Other Income: Our other income comprises of interest on bank deposits which is recurring in nature. Our non-recurring income includes interest received on LC, short term capital gain on mutual funds, rent income, insurance claim receipt, profit on sale of fixed assets, LD charges recovered and other miscellaneous receipts.

Expenses

Our expenses comprise of Cost of materials consumed, purchase for EPC division, direct charges, changes in inventories of finished goods, employee benefits expense, finance costs, depreciation & amortisation expense and other expenses.

Cost of material consumed: Cost of material consumed primarily consists of consumption of raw material in the form of aluminium rods for manufacturing of cables and conductors. Our major raw materials are used for In-house consumption for EPC contracts and the remaining is sold in the market in the form of cables and conductors as our finished goods.

Purchase for EPC Division & Direct cost – Our purchase for EPS division include purchase of material for works contract which majorly include transformers, poles, cables, BPL kit among others and other direct cost in the form of site execution charges, tendering expenses, vehicle running charges, rent stores and security charges etc which are required for smooth execution of the projects.

Changes in inventories of Finished goods: Our change in inventories comprises of change in inventory of finished goods as at the beginning and end of the year. Our closing inventory include material purchased for project division which are kept at store and not dispatched for site erection and execution of the project .

Employee benefit expense: Our employee benefit expenses include salary, wages and bonus, contribution to provident fund, ESIC and other statutory funds, staff welfare expenses, trainee expenses and gratuity expenses.

Finance costs: Our finance costs comprise of interest expenses on working capital finance, term loans, vehicle loans, unsecured loans from banks & financial institution and bank charges.

Depreciation & amortisation expenses: Depreciation & amortisation expenses comprise of depreciation on tangible fixed assets.

Other expenses: Our other expenses consist of Advertisement Expenses, AKVN Fees, Auditor's Remuneration, Bad Debts on account of NBFC, BIS Certificate Fees, Boarding & Lodging Charges, Books & Periodicals, Claim for Deficient Supply, Donation, Electricity Charges, Fuel Expenses (Car & Bikes), Insurance Charges, Interest on delayed payment of statutory dues, Interest to Partners, Late Filling Fees, LD Charges, Legal & Other Documentation Charges, License Renewal Fee, Postage & Courier Expenses, Preliminary Expenses, Printing & Stationaries, Professional Fees, Quality Testing Charges, Registration & Subscription Fees, Renovation Expenses, Rental Expenses, Repair, Maintenance & Other Office Expenses, ROC Filing Fee, Selling Expenses, Sitting Fees of Independent

Director, Software Maintenance Expenses, Stock Audit Fee, Taxes & Duties, Telephone & Fax Charges, Tendering Fees, Travelling Conveyance, Vehicle Repair and Maintenance, Water Charges

Advertisement Expenses, AKVN Fees, Auditor's Remuneration, Bad Debts on account of NBFC, BIS Certificate Fees, Boarding & Lodging Charges, Books & Periodicals, Claim for Deficient Supply, Donation, Electricity Charges, Fuel Expenses (Car & Bikes), Insurance Charges, Interest on delayed payment of statutory dues, Interest to Partners, Late Filling Fees, LD Charges, Legal & Other Documentation Charges, License Renewal Fee, Postage & Courier Expenses, Preliminary Expenses, Printing & Stationaries, Professional Fees, Quality Testing Charges, Registration & Subscription Fees, Renovation Expenses, Rental Expenses, Repair, Maintenance & Other Office Expenses, ROC Filing Fee, Selling Expenses, Sitting Fees of Independent Director, Software Maintenance Expenses, Stock Audit Fee, Taxes & Duties, Telephone & Fax Charges, Tendering Fees, Travelling Conveyance, Vehicle Repair and Maintenance, Water Charges

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit & loss for the financial years ended March 31, 2019, 2018 and 2017 the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
Total Revenue:						
Revenue from Operations	16374.09	99.62%	10352.90	99.44%	9128.11	99.25%
Other Income	62.69	0.38%	58.75	0.56%	68.62	0.75%
Total Revenue	16436.79	100.00%	10411.64	100.00%	9196.73	100.00%
Expenses:						
Cost of materials consumed	1053.76	6.41%	-	-	-	-
Purchase of Stock-in-Trade	10902.06	66.33%	7228.06	69.42%	5789.69	62.95%
Direct Cost	2243.77	13.65%	1405.29	13.50%	1645.39	17.89%
Changes in Inventory	(1075.22)	(6.54%)	(150.53)	(1.45%)	(161.25)	(1.75%)
Employee Benefits Expense	1001.90	6.10%	1005.00	9.65%	679.60	7.39%
Finance Costs	325.40	1.98%	157.59	1.51%	192.18	2.09%
Depreciation And Amortization Expense	124.33	0.76%	54.96	0.53%	39.67	0.43%
Other Expenses	522.66	3.18%	263.32	2.53%	706.81	7.69%
Total Expenses	15098.66	91.86%	9963.70	95.70%	8892.09	96.69%
Profit before exceptional, extraordinary items and tax	1338.13	8.14%	447.94	4.30%	304.64	3.31%
Extraordinary & Exceptional items						
Profit before tax	1338.13	8.14%	447.94	4.30%	304.64	3.31%
Less: Tax Expense						
(i) Current tax	395.80	2.41%	129.99	1.25%	115.63	1.26%

(ii) Deferred tax	9.50	0.06%	(5.90)	(0.06%)	(15.11)	(0.16%)
(iii) Mat Credit Entitlement	-	-	-	-	-	-
Total Tax Expense	405.30	2.47%	124.09	1.19%	100.53	1.09%
Profit for the year	932.83	5.68%	323.85	3.11%	204.11	2.22%

* (%) column represents percentage of total revenue.

FINANCIAL YEAR 2018-19 COMPARED WITH FINANCIAL YEAR 2017-18

Total Revenue

Our total revenue increased by 57.87% to Rs. 16,436.79 lakhs for the financial year 2018-19 from Rs. 10,411.64 lakhs for the financial year 2017-18 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 58.16% to Rs. 16,374.09 lakhs for the financial year 2018-19 from Rs. 10,352.90 lakhs for the financial year 2018-19 mainly due to increase in Sale of EPC services from power transmissions and distribution projects and manufactured products of the company. Sale of work contract services increased by 50.43% to Rs. 15,573.56 lakhs for the financial year 2018-19 from Rs. 10,352.90 lakhs for the financial year 2017-18. Increase in revenue from EPC services was on account of diversification of demographic area to Orissa and Maharashtra in the financial year 2018-19 and also shift in business focus from distribution sector to transmission sector. Our company started manufacturing of cables and conductors in the financial year 2018-19 that are majorly utilized in laying of power transmission and distribution lines. Total revenue from manufacturing activities was Rs. 800.53 lakhs for the financial year 2018-19 i.e. sale to outside customers.

Other income: Our other income increased by 6.71% to Rs. 62.69 lakhs for the financial year 2018-19 from Rs. 58.75 lakhs for the financial year 2017-18 mainly because of increase in Interest on FDR & Deposits by Rs. 2.48 lakhs, increase in LC interest by Rs. 1.06 lakhs and increase in STCG on Mutual Fund by Rs. 0.41 lakhs.

Total Expenses

Our total expenses increased by 51.54% to Rs. 15,098.66 lakhs for the financial year 2018-19 from Rs. 9,963.70 lakhs for the financial year 2017-18, due to the factors described below:

Cost of material consumed: Our cost of material consumed for the financial year 2018-19 was Rs. 1,053.76 lakhs which has nil in financial year 2017-18. Our major raw material used is in the form of Aluminum rods which is used to make cables and conductors. Out of the final products manufactured 39.63% was utilised for in-house consumption and remaining was sold to other parties in the market.

Purchase for EPC services and Direct Cost: Our purchase of material for EPC services and direct cost attributed to it increased by 52.27% to Rs. 13,145.83 lakhs in financial year 2018-19 from Rs. 8,633.35 lakhs in the financial year 2017-18. The increase was in line with increase in revenue from EPC contracts. Our purchase of material as a percentage of revenue from EPC services were 84.41% in financial year 2018-19 and 83.39% in financial year 2017-18.

Change in inventory of finished goods: Our change in inventory of finished goods changed to Rs. (1075.22) lakhs for the financial year 2018-19 from Rs. (150.33) lakhs for the financial year 2017-18 which was due to higher level of closing stock of finished goods at the end of the year.

Employee benefits expenses: Our employee benefit expenses decreased by 0.31% to Rs. 1,001.90 lakhs for the financial year 2018-19 from Rs. 1,005.00 lakhs for the financial year 2017-18. The decrease was mainly due to decrease in Salaries, wages and bonus by Rs. 16.46 lakhs, decrease in Staff welfare expenses by Rs. 5.47 lakhs. However, this decrease was partially offset by increase in provision for Gratuity by Rs. 10.63 lakhs and contribution to provident fund and other funds by Rs. 8.19 lakhs.

Finance costs: Our finance costs increased by 106.48% to Rs. 325.40 lakhs for the financial year 2018-19 from Rs. 157.59 lakhs for the financial year 2017-18. Increase in our finance cost was due to increase in interest expense by Rs. 74.35 lakhs and other borrowing costs by Rs. 93.46 lakhs. Increase in interest

expenses was on account of increase in working capital requirements of our company which was sanctioned by consortium member banks in financial year 2018-19 and addition of HDFC Bank Limited other than previous members i.e. State Bank of India, Union Bank of India and Yes Bank Limited.

Depreciation & amortization expense: Our depreciation & amortization expense increased by 126.22% to Rs. 124.33 lakhs for the financial year 2018-19 from Rs. 54.96 lakhs for the financial year 2017-18. Net addition to gross block was Rs. 890.61 lakhs for financial year 2018-19 and Rs. 134.67 lakhs for the financial year 2017-18. The increase in depreciation is on account of purchase of vehicles for operational use on various sites and also company incurred amortization cost on goodwill on purchase of running unit situated at Electronic Complex, Indore.

Other expenses: Our other expenses increased by 98.49% to Rs. 522.66 lakhs for the financial year 2018-19 from Rs. 263.32 lakhs for the financial year 2017-18. The increase was mainly due to increase in taxes & duties by Rs. 96.27 lakhs, increase in legal & other documentation charges by Rs. 38.51 lakhs, increase in professional fees by Rs. 35.24 lakhs, increase in repair, maintenance & other office expenses by Rs. 30.61 lakhs, increase in renovation expenses by Rs. 18.03 lakhs, increase in electricity charges by Rs. 17.61 lakhs, increase in interest on delayed payment of statutory dues by Rs. 17.15 lakhs, increase in fuel expenses by Rs. 14.64 lakhs, increase in travelling conveyance by Rs. 14.16 lakhs, increase in rental expenses by Rs. 9.48 lakhs, increase in boarding & lodging charges by Rs. 7.23 lakhs, increase in BIS certificate fees by Rs. 6.45 lakhs, increase in selling expenses by Rs. 6.29 lakhs, increase in software maintenance expenses by Rs. 6.27 lakhs, increase in printing & stationaries by Rs. 4.76 lakhs, increase in insurance charges by Rs. 3.39 lakhs, increase in auditor's remuneration by Rs. 3.00 lakhs and increase in registration & subscription fees by Rs. 1.31 lakhs, among others. However this increase was partially offset by decrease in claim for deficient supply by Rs. 63.04 lakhs, decrease in LD charges by Rs. 8.64 lakhs, decrease in vehicle repair and maintenance by Rs. 3.16 lakhs among others. Increase in duties and taxes was on account of increase in transportation cost as the company started taking projects in Orissa and Maharashtra which was transferred from other regions also from the financial year 2018-19. Until financial year 2017-18 the company was doing projects only in Madhya Pradesh.

Profit before taxes: Our profit before taxes increased by 198.73% to Rs. 1,338.13 lakhs for the financial year 2018-19 from Rs. 447.94 lakhs for the financial year 2017-18. Profit of the company increased due to better margins in projects undertaken in Odisha and Maharashtra with further internal policies to reduce cost i.e. in-house consumption of cables and conductors for the projects being undertaken along with purchase from other vendors.

Tax expenses: Our tax expenses increased by 226.62% to Rs. 405.30 lakhs for the financial year 2018-19 from Rs. 124.09 lakhs for the financial year 2017-18 mainly due to increase in current tax expense by Rs. 265.81 lakhs and deferred tax expenses by Rs. 15.40 lakhs.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 188.04% to Rs. 932.83 lakhs for the financial year 2018-19 from Rs. 323.85 lakhs for the financial year 2017-18.

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue increased by 13.21% to Rs. 10,411.64 lakhs for the financial year 2017-18 from Rs. 9,196.73 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 13.42% to Rs. 10,352.90 lakhs for the financial year 2017-18 from Rs. 9,128.11 lakhs for the financial year 2016-17 solely due to increase in sale of work contract services on turnkey basis and bagging more contracts due to better performance and timely completion of projects in Madhya Pradesh making company utilize its resources at optimum capacity.

Other income: Our other income decreased by 14.39% to Rs. 58.75 lakhs for the financial year 2017-18 from Rs. 68.62 lakhs for the financial year 2016-17 mainly because of decrease in LD Charges recovered by Rs. 8.42 lakhs, decrease in short term capital gain on Mutual Fund by Rs. 1.72 lakhs,

decrease in Sales tax refund by Rs. 1.45 lakhs and decrease in rent received by Rs. 1.30 lakhs. However, this decrease was partially offset by increase in Interest on fixed deposits by Rs. 3.08 lakhs, among others.

Total Expenses

Our total expenses increased by 12.05% to Rs. 9,963.70 lakhs for the financial year 2017-18 from Rs. 8,892.09 lakhs for the financial year 2016-17, due to the factors described below:

Purchase for EPC services and Direct Cost: Our purchase of material for EPC services and direct cost attributed to it increased by 16.12% to Rs. 8,633.35 lakhs in financial year 2017-18 from Rs. 7,435.08 lakhs in the financial year 2016-17. The increase was in line with increase in revenue from EPC contracts. Our purchase of material as a percentage of revenue from EPC services were 83.39% in financial year 2017-18 and 81.45% in financial year 2016-17.

Change in inventory of finished goods: Our change in inventory of finished goods changed by to Rs. (150.53) lakhs for the financial year 2017-18 from Rs. (161.25) lakhs for the financial year 2016-17 which was due to higher level of closing stock of finished goods at the end of the year to have smooth flow of operations without having any limitations on account of material supply.

Employee benefits expenses: Our employee benefit expenses increased by 47.88 % to Rs. 1,005.00 lakhs for the financial year 2017-18 from Rs. 679.60 lakhs for the financial year 2016-17. The increase was mainly due to increase in salaries, wages and bonus by Rs. 279.31 lakhs, increase in contribution to provident fund and other funds by Rs. 42.50 lakhs, increase in provision for gratuity by Rs. 2.67 lakhs and increase in staff welfare expenses by Rs. 1.11 lakhs.

Finance costs: Our finance costs decreased by 18.00% to Rs. 157.59 lakhs for the financial year 2017-18 from Rs. 192.18 lakhs for the financial year 2016-17. Decrease in our finance cost was due to decrease in other borrowing costs by Rs. 114.95 lakhs. However, this decrease was partially offset by increase in Interest expense by Rs. 80.36 lakhs.

Depreciation & amortization expense: Our depreciation & amortization expense increased by 38.55% to Rs. 54.96 lakhs for the financial year 2017-18 from Rs. 39.67 lakhs for the financial year 2016-17. Net addition to gross block was Rs. 134.67 lakhs for financial year 2017-18 and Rs. 0.14 lakhs for the financial year 2016-17.

Other expenses: Our other expenses decreased by 62.74% to Rs. 263.32 lakhs for the financial year 2017-18 from Rs. 706.81 lakhs for the financial year 2016-17. The decrease was mainly due to decrease in taxes & duties by Rs. 444.81 lakhs, decrease in interest to partners by Rs. 55.39 lakhs, decrease in preliminary expenses by Rs. 10.72 lakhs, decrease in quality testing charges by Rs. 10.09 lakhs, decrease in selling expenses by Rs. 8.22 lakhs, decrease in professional fees by Rs. 6.56 lakhs, decrease in interest on delayed payment of statutory dues by Rs. 6.31 lakhs, decrease in tendering fees by Rs. 3.47 lakhs, decrease in telephone & fax charges by Rs. 2.40 lakhs, decrease in auditor's remuneration by Rs. 2.20 lakhs and decrease in travelling expenses by Rs. 1.32 lakhs among others. However this decrease was partially offset by increase in claim for deficient supply by Rs. 63.04 lakhs, increase in LD charges by Rs. 19.07 lakhs, increase in fuel expenses by Rs. 17.69 lakhs, increase in ROC filling fee by Rs. 3.62 lakhs, increase in vehicle repair and maintenance by Rs. 2.22 lakhs, increase in insurance charges by Rs. 1.13 lakhs, increase in legal & other documentation charges by Rs. 1.07 lakhs, among others. Our company was converted from partnership firm to company in the financial year 2016-17 and accordingly interest on partners was given only for financial year 2016-17.

Profit before taxes: Our profit before taxes increased by 47.04% to Rs. 447.94 lakhs for the financial year 2017-18 from Rs. 304.64 lakhs for the financial year 2016-17.

Tax expenses: Our tax expenses increased by 23.44% to Rs. 124.09 lakhs for the financial year 2017-18 from Rs. 100.53 lakhs for the financial year 2016-17 mainly due to increase in current tax expense by Rs. 14.36 lakhs and deferred tax expenses by Rs. 9.21 lakhs.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 58.66% to Rs. 323.85 lakhs for the financial year 2017-18 from Rs. 204.11 lakhs for the financial year 2016-17.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2019, 2018 and 2017:

Particulars	For the year ended March 31,		
	2019	2018	2017
Fixed Asset Turnover Ratio	14.62	45.40	61.55
Debt Equity Ratio	0.81	0.65	0.60
Current Ratio	1.28	1.34	1.25
Inventory Turnover Ratio	8.70	13.87	15.31

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total property, plant & equipment, based on Restated Financial Statements. Total property, plant & equipment does not include capital work-in-progress.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings & current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by closing inventories based on Restated Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2019, 2018 and 2017:

(Rs. in lakhs)

Particulars	For year ended March 31,		
	2019	2018	2017
Net cash flow generated from/ (utilized in) operating activities (A)	742.49	267.01	63.52
Net cash flow utilized in investing activities (B)	(1,294.73)	(699.93)	(191.71)
Net cash flow generated from/ (utilized in) financing activities (C)	348.66	404.16	151.84
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	(203.58)	(28.76)	23.65
Cash and cash equivalents at the beginning of the period/ year	591.32	620.08	596.43
Cash and cash equivalents at the end of the period/ year	387.74	591.32	620.08

Operating Activities

Financial year 2018-19

Our net cash generated from operating activities was Rs. 742.49 lakhs for the financial year 2018-19. Our operating profit before working capital changes was Rs. 1,765.92 lakhs for the financial year 2018-19 which was primarily adjusted by payment of income tax of Rs. 395.80 lakhs, increase in trade payables, liabilities and provisions by Rs. 2,438.17 lakhs, increase in trade receivables by Rs. 2,355.00 lakhs and increase in loans & advances and other assets by Rs. 710.79 lakhs.

Financial year 2017-18

Our net cash generated from operating activities was Rs. 267.01 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 612.41 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of Rs. 129.99 lakhs, decrease in trade receivables by Rs. 1,357.76 lakhs, increase in loans & advances and other assets by Rs. 1190.20 lakhs decrease in trade payables, liabilities & provisions by Rs. 382.98 lakhs.,

Financial year 2016-17

Our net cash generated from operating activities was Rs. 63.52 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 475.86 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 115.63 lakhs, increase in trade receivables by Rs. 2,511.42 lakhs, increase in trade payables, liabilities & provisions by Rs. 2,304.29 lakhs and increase in loans & advances and other assets by Rs. 89.58 lakhs.

Investing Activities

Financial year 2018-19

Net cash used in investing activities was Rs. 1,294.73 lakhs for the financial year 2018-19. This was primarily on account of purchase of fixed assets amounting to Rs. 1,016.11 lakhs, investments on fixed deposits of Rs. 375.97 lakhs and security deposits of Rs. 7.67 lakhs which was partially offset by interest income of Rs. 62.69 lakhs and by proceeds from mutual funds of Rs. 42.32 lakhs.

Financial year 2017-18

Net cash used in investing activities was Rs. 699.93 lakhs for the financial year 2017-18. This was primarily on account of investments on fixed deposits of Rs. 338.29 lakhs, investment in mutual funds of Rs. 285.86 lakhs and purchase of fixed assets amounting to Rs. 134.67 lakhs which was partially offset by interest income of Rs. 58.75 lakhs and security deposits of Rs. 0.14 lakhs.

Financial year 2016-17

Net cash used in investing activities was Rs. 191.71 lakhs for the financial year 2016-17. This was primarily on account of investments on fixed deposits of Rs. 251.50 lakhs, purchase of fixed assets amounting to Rs. 21.50 lakhs, increase in security deposits of Rs. 0.56 lakhs which was partially offset by interest income of Rs. 67.79 lakhs, proceeds from mutual funds of Rs. 11.91 lakhs and sale of fixed assets of Rs. 2.15 lakhs.

Financing Activities

Financial year 2018-19

Net cash generated from financing activities for the financial year 2018-19 was Rs. 348.66 lakhs which was primarily on account of proceeds from issuance of shares of Rs. 700.00 lakhs and proceeds from short-term borrowings of Rs. 34.26 lakhs which was partially adjusted by interest expenses amounting to Rs. 344.88 lakhs and repayment of long term borrowings of Rs. 40.72 lakhs.

Financial year 2017-18

Net cash generated in financing activities for the financial year 2017-18 was Rs. 404.16 lakhs. This was primarily on account of proceeds from short-term borrowings of Rs. 356.93 lakhs and proceeds from issuance of shares of Rs. 204.82 lakhs which was partially adjusted by interest expenses amounting to Rs. 157.59 lakhs.

Financial year 2016-17

Net cash generated in financing activities for the financial year 2016-17 was Rs. 151.84 lakhs. This was primarily on account of proceeds from short-term borrowings of Rs. 273.02 lakhs and proceeds from issuance of shares of Rs. 100.00 lakhs which was partially offset by interest payment amounting to Rs. 192.18 lakhs and repayment of long term borrowings amounting to Rs. 28.99 lakhs.

Financial Indebtedness

As on March 31, 2019 the total outstanding borrowings of our Company is Rs. 2802.85 lakhs which included long-term borrowings of Rs. 593.17 lakhs, short term borrowings of Rs. 1,872.04 lakhs and current maturities of long term debt of Rs. 337.63 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 199 of this Draft Red Herring Prospectus.

(Rs. in lakhs)

Particulars	As at March 31, 2019
Long Term Borrowings (A)	
<i>Secured Loans</i>	
- From Banks	93.59
<i>Unsecured Loans</i>	
- From Related Parties	358.72
- From Banks & Financial Institution	140.86
Sub Total (A)	593.17
Short Term Borrowings (B)	
<i>Secured Loans</i>	
-Working Capital facilities from banks	1,787.72
<i>Unsecured Loans</i>	
- Financial Institution	84.32
Sub Total (B)	1,872.04
Current Maturities of Long Term Borrowings (C)	337.63
Total (A)+(B)+(C)	2,802.84

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, consultancy received, interest paid, purchase & sale of goods, loans & deposits taken & paid, advance to suppliers and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 182 of this Draft Red Herring Prospectus.

Contingent Liabilities

The following table sets forth our contingent liabilities as of March 31, 2019 as per Restated Financial Statement:

(Rs. In Lakhs)

Particulars	Amount
Claims against the Company not acknowledged as debt	
1. Bank Guarantees	5090.52
Total	5090.52

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above pending resolutions of the respective proceedings. For further details, refer chapter titled “*Financial Statements*” beginning on page 182 of this Draft Red Herring Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Liquidity risk

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure, to the extent possible, that we will have sufficient liquidity to meet our liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation. We manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 182 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 182 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures & interest thereon or repayment of deposits & interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "*Risk Factors*" beginning on page 28 of this Draft Red Herring Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled "*Risk Factors*" beginning on page 28 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled "*Risk Factors*" beginning on page 28 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part "*Financial Year 2018-19 compared with financial year 2017-18 and Financial Year 2017-18 Compared With Financial Year 2016-17*" above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our company works under single reportable Industry segment.

Competitive Conditions

We have competition with Indian and international manufacturers & traders and our results of operations could be affected by competition in the power transmission and distribution sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "*Risk Factors*" beginning on page 28 of this Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under "*Significant Factors Affecting Our Results of Operations*" and chapter titled "*Risk Factors*" beginning on page 28 of this Draft Red Herring Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company's customers and suppliers *vis a vis* the revenue from operations and raw materials & purchase for contract services respectively for the period ended March 31, 2019 based on Restated Financial Statement are as follows:

Particulars	Suppliers	Customers
	As on March 31, 2019	As on March 31, 2019
Top 5 (%)	22.79	94.38
Top 10 (%)	37.47	98.90

Seasonality of Business

The nature of our business is not seasonal. For further details please refer chapter titled “*Risk Factors*” beginning on page 28 of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Our Company avail credit facilities in the ordinary course of our business. Pursuant to our Articles of Association, subject to applicable law the Board may from time to time at its discretion raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company; by a resolution of the Board, or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up Capital of the Company and its free reserves.

Further, pursuant to a special resolution passed in the Extra-ordinary General Meeting of our Company held on 20th September, 2018 the Board of Directors has been authorised to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time (apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business) shall not exceed the sum of 15000.00 Lakhs (Rupees Fifteen Hundred Lakhs only).

As on March 31, 2019 we have outstanding borrowings of Rs. 2,802.85 Lakhs. Set forth below is a brief summary of our aggregate outstanding borrowings and secured borrowings.

(Amount in Rs. Lakhs)

Category of Borrowing	Sanction Amount	Outstanding Amount as on March 31, 2019
FUND BASED FACILITIES		
Working Capital Facilities		
Secured	1800.00	1,787.72
Unsecured	Nil	Nil
Total (A)	1800.00	1,787.72
Business and Purchase finance loans		
Unsecured from banks and financial Institution	656.65	491.19
Unsecured from other parties	358.72	358.72
Total (B)	1015.37	849.91
Vehicle loans		
Secured	235.43	165.22
Unsecured	Nil	Nil
Total (C)	235.43	235.43
Total (A+B+C)	3050.80	2802.85
NON-FUND BASED FACILITIES		
Letter of credit and Bank Guarantee	6100.00	5090.52
Total (D)	6100.00	5090.52
Total (A+B+C+D)	9150.80	7893.37

Note: After ending of financial year 2018-19 Our Company has availed Vehicle loan of of Rs. 20.24 Lakhs and Business Loan of Rs. 93.32 Lakhs from various Financial Institutions.

Principal Terms of borrowings availed by our Company:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowings arrangements entered into by us.

1. Interest:

The interest rate charged for Working Capital facilities is ranges from 11.20% p.a. to 13.25% P.a. The interest rate for Business and Purchase finance loan availed from Banks and Financial Institutions is 16.25% to 21% p.a. There is no interest for Business loan from other than Banks and Financial Institutions. The commission rate of performance/ Financial Bank Guarantee is 1.1% p.a

to 1.30% p.a. Interest rate on vehicle loans from Banks, Financial Institutions and others ranges from 7.80% p.a. to 9.51% p.a.

2. Security :

- a) Pari-pasu charge in favour of bank by way of hypothecation of the company's entire stock of raw material, WIP, semi-finished and finished goods, consumable store spares including book debts, bill whether documentary or clean, outstanding monies, receivables both present and future, in a form and manner satisfactory to the Bank and all other current assets including lean over deposits and mutual funds.
- b) Exclusive charge on plant and machinery by way of hypothecation.
- c) *Property Collateral Working capital facilities :*
 - i) Plot No. 5 & 6, LakshyaVihar Colony, Kanadia Road, Indore, Madhya Pradesh In the name of Guru PrasannaSahoo.
 - ii) Plot No. 37, Empire State, Bicholi-Mardana Bypass Road, Indore, Madhya Pradesh in the name of Arvind Kumar Tripathi.
 - iii) Survey No. 179/2/31/K/1, PatwariHalka No. 25, Ward no. 76, Village BicholiMardana, Tehsil & Dist.- Indore, Madhya Pradesh in the name of Arvind Kumar Tripathi, Guru PrasannaSahoo, Shivananda, Pooja Tripathi, NiharikaSahoo, Prabha TS.
 - iv) House No. 29 Emerald Villa, Silver Spring II, Indore, Madhya Pradesh in the name of Jagdish Kumar.
 - v) House No. 211, Sector – R, Village Pipliyakumar, Mahalaxmi Nagar, Indore, Madhya Pradesh in the name of Nilshikhaa Infraa India Limited.
 - vi) Survey No. 179/3/1/1/1, Part 179/2/31/K/1, Village BicholiMardana, PatwariHalka No. 25, Ward no. 76, Tehsil & Dist.- Indore, Madhya Pradesh in the name of Arvind Kumar Tripathi, Guru PrasannaSahoo, Shivananda, Pooja Tripathi, NiharikaSahoo, Prabha TS.
 - vii) Plot No. 26 Shrikant Palace, Khajrana, Near Bengali Square, Indore, Madhya Pradesh in the name of Shivananda.
 - viii) Part Land of survey no. 676/2, 676/3, 678/1 & 678/3, PatwariHalka No. 49, Gram Baledi, Tehsil Badnagar, Ujjain in the name of NilshikhaaInfraa India Limited.
 - ix) Plot no. 39, 40 & 41A, Industrial Area, Electronix complex, Pardesipura, Tehsil & District – Indore, Madhya Pradesh -452001.
 - x) Plot no. 43A, 42 & 41B, Industrial Area, Electronix complex, Pardesipura, Tehsil & District – Indore, Madhya Pradesh -452001.

3. Personal Guarantee:

Un-conditional and irrevocable personal guarantees of all the Directors and property holders:

- a) Shri Guru PrasannaSahoo
- b) Shri Arvind Kumar Tripathi
- c) Shri Shivananda
- d) Shri Jagdish Kumar
- e) Smt. NiharikaSahoo,
- f) Smt. Pooja Tripathi
- g) Smt. Prabha Shivananda
- h) Smt. Sangeeta Bharti

4. Repayment:

The secured fund based working capital facilities and bank guarantees are sanctioned for a period of 12 months and are repayable on demand. The repayment period Business and Purchase finance

loan availed from Banks and Financial Institutions ranges from from 12 Months to 36 Months. The repayment period of vehicle loans range from 34 months to 37 months. The unsecured loans other than banks and financial institutions are repayable on demand.

5. Key Restrictive Covenants:

- a) Company should not induct into its Board a person whose name appears in the willfull defaulters list of RBI / CIBIL.
- b) All money raised by way of deposit from friend, relatives or any other source should not be withdrawn / repaid during the currency of bank advances.
- c) During the currency of Bank's credit facilities Company will not, without Bank's prior permission,
 - i) Effect any change in the capital structure
 - ii) Implement any scheme of expansion / modernization / diversification / renovation or acquire any fixed assets during any accounting year
 - iii) Formulate any scheme of Amalgamation or reconstruction, re-organisation, take over or any other scheme of arrangement.
 - iv) Invest by way of share capital or lend or advance funds to or place deposits with any other concern, , including sister / associate / family / subsidiary / group concern, except trade credit, security deposit and advances to employees in the normal course of business.
 - v) Undertake Guarantee obligations on behalf of any other company, firm or person.
 - vi) Permit any transfer of the controlling interest or make any drastic change in management set-up.
 - vii) Not to undertake any new project or expansion scheme without informing the bank unless the expenditure on such project is financed out of the proceeds from investment or from long term received for financing the new project or expansion.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (I) criminal proceedings, (II) actions taken by statutory or regulatory authorities, (III) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Fiscals, including outstanding action, (IV) claims related to direct and indirect taxes in a consolidated manner, (V) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“**Materiality Policy**”), in each case involving our Company, Promoters, Directors and Group entities (the “**Relevant Parties**”).

For the purpose of (V) above, our Board in its meeting held on September 16, 2019, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

- (a) the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of the profit after tax of our Company as per the restated financial statements of our Company for the last full Fiscal, being ₹ 9.35 Lakhs; or
- (b) the monetary liability is not quantifiable, however, the outcome of any such pending proceedings may have a bearing on the business, operations, performance, prospects or reputation of our Company.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on September 16, 2019 determined that outstanding dues to creditors in excess of Rs. 100.00 lakhs as per the restated financials for the period ended March 31, 2019 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Red Herring Prospectus.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND GROUP ENTITIES

Nature of Case	Number of Cases	Outstanding Amount (in lakhs)
<i>Company</i>		
Direct Tax*	1	9.92
Indirect Tax	-	-
<i>Directors (other than Promoters)</i>		
Direct Tax	-	-
Indirect Tax	-	-
<i>Promoters</i>		
Direct Tax**	1	0.70
Indirect Tax	-	-
<i>Group Entities</i>		
Direct Tax	-	-
Indirect Tax	-	-

Note: The amounts indicated above are approximate amounts and have been disclosed to the extent ascertainable.

*The Company has disagreed with the outstanding demand of Rs.9,92,250/- levied by the Income Tax department vide their response dated March 20, 2019.

**The Promoter has disagreed with the outstanding demand of Rs. 69,780/- levied by the Income Tax department vide their response dated June 11, 2019.

OTHER MATERIAL LITIGATIONS

LITIGATION INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTER:

Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES¹:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

A. LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. WILFUL DEFAULTERS:

None of our Directors' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

3. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

4. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

¹ The Regulatory or Statutory Authorities for the purpose of this Chapter include but are not limited to SEBI, RBI etc.

B. LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR PROMOTERS

A. LITIGATIONS AGAINST OUR PROMOTER/S:

1. CRIMINAL MATTERS:

Nil

2. DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS INCLUDING OUTSTANDING ACTION:

Nil

3. WILFUL DEFAULTERS:

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

4. ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES:

Nil

5. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR PROMOTER/S:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

LITIGATION INVOLVING OUR GROUP ENTITIES

A. LITIGATIONS AGAINST OUR GROUP ENTITIES:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

B. LITIGATIONS FILED BY OUR GROUP ENTITIES:

1. CRIMINAL MATTERS:

Nil

2. OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 184 of this Draft Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO CREDITORS

As of March 31, 2019, we had 210 creditors. The aggregate amount outstanding to such creditors as on March 31, 2019 was ₹ 1,631.92 Lakhs.

As per the Materiality Policy, such creditors to whom, outstanding dues to any creditor of our Company having monetary value which exceed ₹ 100.00 Lakhs, which is 6.13 % of the total trade payables of our Company as per the Restated Financial Statements of our Company for the year ended March 31, 2019 included in this Draft Red Herring Prospectus, shall be considered as ‘material’. Accordingly, in this regard, the creditors to whom an amount exceeding ₹ 100.00 Lakhs was owed as on March 31, 2019, were considered ‘material’ creditors. Based on the above, there are 2 material creditor(s) of our Company as on March 31, 2019, to whom an aggregate amount of ₹ 399.00 Lakhs was outstanding on such date.

Details of outstanding dues owed as at March 31, 2019 to MSMEs and other creditors are set out below.

Creditors	Number of Cases	Amount due (in Rs. Lakhs)
MSMEs	47	848.82
Other Creditors	163	783.10

The details pertaining to amounts due towards the material creditors are available on the website of our Company at www.niindia.in.

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, www.niindia.in, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of power transmission and distribution and manufacturing of conductors and cables, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “Key Industry Regulations and Policies” on page 139 of this Draft Red Herring Prospectus.

The Company has its business located at:

Registered Office: R-211, Mahalaxmi Nagar, Near Bombay Hospital, Indore – 452010, Madhya Pradesh, India.

Manufacturing Unit – I: Plot No. 39, 40, 41-A, 41-B, 42, 43-A, Electronics Complex, Pardeshipura, Indore – 452003, Madhya Pradesh.

Manufacturing Unit – II (Proposed): Land Survey No. 676/2, 678/1, 678/2/2, 678/3, Patwari Halka No. 49 at Depalpur – Ingoria Road, Village- Baledi, Tehsil- Badnagar, District- Ujjain

Site Offices: Our Company is required to take site offices on rent for the purpose of administration of our projects including stay of staff, store the projects materials etc. As on date of DRHP, our Company has various site offices at Madhya Pradesh, Maharashtra and Odisha.

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled ‘Objects of the Offer’ beginning on page no. 83 of this Draft Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE OFFER

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on September 14, 2019, authorized the Offer, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on September 20, 2019 authorized the Offer.
3. Consent Letters dated September 20, 2019 has been obtained from Selling shareholders namely Arvind Kumar Tripathi, Guru Prasanna Sahoo, Jagdish Kumar, Shivananda and Niharika Sahoo holding 45,00,000, 45,00,000, 45,00,000, 45,00,000 and 7,50,000 shares each.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated September 27, 2019 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated September 27, 2019 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE0AP001010.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation upon Conversion from Partnership Firm to Public company dated August 30, 2016 issued by the Registrar of Companies, Gwalior, in the name of “**NILSHIKHAA INFRAA INDIA LIMITED**”.
2. Fresh Certificate of Incorporation Consequent upon change of name from “Nilshikhaa Infraa India Limited” to “Nilshikhaa Projects Limited” issued on September 12, 2019 by the Registrar of Companies, Gwalior in the name of “**NILSHIKHAA PROJECTS LIMITED**”.
3. The Corporate Identification Number (CIN) of the Company is **U74999MP2016PLC041388**.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Registration Certificate of Establishment [under Rule 3(3) of Madhya Pradesh Shops and Establishments Rules, 1959)	District Labour Office, Indore	C/349075	December 05, 2016	December 31, 2021
2.	Udyog Aadhar Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprises, Government of India	MP23B0004962	June 26, 2014	NA
3.	License to work a factory (under Factories Act, 1948 and Rules made thereunder)	Joint Chief Inspector of Factories, Madhya Pradesh	167/16217/IND/2 M(I)	January 18, 2019	December 31, 2019

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAFCN3576Q	August 30, 2016	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	BPLN03896E	Oct 01, 2016	Perpetual
3.	Goods and Service Tax Identification Number (GSTIN) for Madhya Pradesh.	Government of Madhya Pradesh and Government of India	23AAFCN3576Q2ZV	September 19, 2017	Perpetual
4.	Goods and Service Tax Identification Number (GSTIN) for Maharashtra.	Government of Maharashtra and Government of India	27AAFCN3576Q1ZO	September 03, 2018	Perpetual
5.	Goods and Service Tax Identification Number (GSTIN) for Odisha.	Government of Odisha and Government of India	21AAFCN3576Q1Z0	September 10, 2018	Perpetual
6.	Certificate of Registration (under Madhya Pradesh Value Added Tax Act, 2002 read with Rule 12 of the Madhya Pradesh Value Added Tax Rules, 2006)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Madhya Pradesh.	23489099420	January 02, 2014	Perpetual
7.	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAKFN4465ASD001	December 12, 2013	Perpetual

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
8.	Professional Tax Enrollment Certificate (PTEC) (under section 5(2) of Madhya Pradesh Professional Tax, Act, 1955)	Professional Tax Officer, Department of Sales Tax Government of Gujarat.	78189038313	June 10, 2016	Perpetual
9.	Professional Tax Registration Certificate (PTRC) (under section 4 of Madhya Pradesh Professional Tax, Act, 1955)	Professional Tax Officer, Department of Sales Tax Government of Gujarat.	79309005287	June 10, 2016	Perpetual

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	MP/INDORE/31157	June 24, 2014
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	18000214580001001	December 01, 2014
3	License under sub sec. (1) of Sec.8 of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979.	Government of Odisha, Office of the Divisional Labour Commissioner, Kalahandi, Bhawanipatna	158/2019	<u>Date of issue:</u> July 17, 2019 <u>Valid till:</u> December 31, 2019
4	Certificate of registration under sub-section (3) of section 7 of the Building & other Construction Workers (Regulation of Employment and Conditions of	Government of Odisha, office of the Registering Officer-cum-District Labour Officer, Balangir	B&OCW-BLGR-09/2019	January 04, 2019

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
	Services) Act, 1996 and rules made thereunder.			
5	License under Section 12 (I) of the Contract Labour (Regulation and Abolition) Act, 1970.	Government of Odisha, office of the Licensing Officer-cum- District Labour Officer, Balangir	C.L.(R&A) Act-BLG-01/2019	<u>Date of issue:</u> January 02, 2019 <u>Valid till:</u> January 01, 2020
6	License under Section 12 (I) of the Contract Labour (Regulation and Abolition) Act, 1970.	Government of Odisha, office of the Assistant Labour Commissioner, Koenjhar	2521	<u>Date of issue:</u> December 29, 2018 <u>Valid till:</u> December 28, 2019

OTHER BUSINESS-RELATED APPROVALS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Electrical Contractor License [under regulation 25 of the Madhya Pradesh Licensing Board (Electrical) Regulations, 1960]	Secretary and Chairman, Madhya Pradesh Licensing (Electrical) Board.	23/5619/A	January 24, 2017	December 31, 2019
2.	License for the use of Standard Mark under the Bureau of Indian Standards (BIS) Act, 2016 (11 of 2016) for IS 398 (Part 2): 1996.	Scientist E & Head, Bureau of Indian Standards, Bhopal.	8200079113	August 21, 2018	August 31, 2020
3.	License for the use of Standard Mark under the Bureau of Indian Standards (BIS) Act, 2016 (11 of 2016) for IS 398 (Part 4): 1994.	Scientist E & Head, Bureau of Indian Standards, Bhopal.	8200068908	December 07, 2018	December 31, 2019
4.	License for the use of Standard Mark under the Bureau of Indian Standards (BIS) Act, 2016 (11 of 2016) for IS 7098 (Part 1): 1988.	Scientist E & Head, Bureau of Indian Standards, Bhopal.	8200068310	November 29, 2018	November 30, 2019

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
5.	License for the use of Standard Mark under the Bureau of Indian Standards (BIS) Act, 2016 (11 of 2016) for IS 1554 (Part 1): 1988.	Scientist E & Head, Bureau of Indian Standards, Bhopal.	2597879	August 01, 2019	July 31, 2020
6.	License for the use of Standard Mark under the Bureau of Indian Standards (BIS) Act, 2016 (11 of 2016) for IS 14255: 1995.	Scientist E & Head, Bureau of Indian Standards, Bhopal.	8200077311	July 19, 2019	July 31, 2020
7.	Certificate of Registration ISO 9001:2015	Managing Director, United Accreditation Foundation (UAF), Trans Continental Certifications Private Limited.	Q-910607635	July 06, 2018	July 05, 2021
8.	Certificate of Registration ISO 14001:2015	Managing Director, United Accreditation Foundation (UAF), Trans Continental Certifications Private Limited.	E-9125011221	January 25, 2019	January 24, 2022
9.	Certificate of Registration ISO 45001:2015	Managing Director, United Accreditation Foundation (UAF), Trans Continental Certifications Private Limited.	OH-9125011222	January 25, 2019	January 24, 2022

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS TRADEMARKS

Sr. No .	Tradema rk	Tradema rk Type	Clas s	Applica nt	Applicati on No.	Date of Application	Validit y/ Renew al	Registrati on status
1.	 Nilshikhaa INFRAA INDIA LTD.	Device	9	Nilshikhaa Infraa India Limited	3399394	October 31, 2016	October 31, 2026	Registered

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. Application for change of name of all the above mentioned approvals is pending in the name of “Nilshikhaa Projects Limited”.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. Our Company has not applied for licenses/certificates required to be obtained under the Building & other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996 for the states of Madhya Pradesh and Maharashtra.
2. Our Company has not applied for licenses/certificates required to be obtained under the Contract Labour (Regulation and Abolition) Act, 1970 for the states of Madhya Pradesh and Maharashtra.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

The Offer has been authorised by a resolution of the Board passed at their meeting held on September 14, 2019, which was subject to the approval of shareholders through special resolution .The shareholders of our Company have approved this issue vide a Special Resolution passed at the Extra Ordinary General Meeting of the company held on September 20, 2019 at the Registered Office of our company.

The Offer for Sale has been authorized by the selling shareholders by their consent letters as follows:

Sr No.	Name of the Selling Shareholders	No. Of Equity Shares Offered	Date of Consent Letter
1.	Arvind Kumar Tripathi	8,00,000	September 14, 2019
2.	Guru Prasanna Sahoo	8,00,000	September 14, 2019
3.	Jagdish Kumar	8,00,000	September 14, 2019
4.	Shivananda-	8,00,000	September 14, 2019
5.	Niharika Sahoo	3,04,000	September 14, 2019

We have received in-principle Approval from NSE for the offer vide their letter dated [●].

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, Selling shareholders are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Draft Red Herring Prospectus.

Our Company, our Promoters, our Promoter Group and the Selling Shareholders are in compliance with the Companies (**Significant Beneficial Ownerships**) Rules, 2018 (“**SBO Rules**”), to the extent applicable, as on date of filing of this Draft Red Herring Prospectus.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.

None of our Directors are associated with the securities market in any manner and there is no outstanding action initiated against them by SEBI in the past 5 years.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors have been identified as wilful defaulter(s) by the RBI or any other governmental authority. The Selling Shareholder confirms that it has not been identified as willful defaulters in terms of the SEBI ICDR Regulations.

ELIGIBILITY FOR THE OFFER

Our Company is eligible for the Offer in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post offer face value capital is more than Rs. 1,000 lakhs and upto Rs. 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this offer will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLMs shall underwrite at least 15% of the total offer size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 57 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. Pursuant to provisions of Rule 11 of the Companies (Prospectus and Allotment of Securities) Rules, 2014. If the stated minimum amount has not been subscribed and the sum payable on application is not received within the period specified therein, then the application money shall be repaid within a period of fifteen days from the closure of the issue and if any such money is not so repaid within such period, the directors of the company who are officers in default shall jointly and severally be liable to repay that money with interest at the rate of fifteen percent per annum.
3. We have filed Draft Red Herring Prospectus with stock exchange. The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Red Herring Prospectus shall also be furnished to the SEBI in a soft copy.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Managers and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this offer. For further details of the market making arrangement see chapter titled “General Information” beginning on page 57 of this Draft Red Herring Prospectus.
5. Our Company is incorporated under Companies Act, 2013.
6. The Company has track record of 3 years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the date of filing of this Draft Red Herring Prospectus.
7. Networth of the Company is positive as per the latest audited financial statements.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. No petition for winding up is admitted by a court of competent jurisdiction against the company.
10. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
11. The Company has website www.niindia.in
12. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group entities, companies promoted by the promoters/promoting companies of the Company during the past three years.
13. There is no default of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group entities, companies promoted by the promoters/promoting companies of the Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND MARWADI SHARES AND FINANCE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED 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 THE DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDER IS RESPONSIBLE ONLY FOR THE STATEMENTS IN THE DRAFT RED HERRING PROSPECTUS SPECIFICALLY CONFIRMED AND UNDERTAKEN BY IT IN RELATION TO THE SELLING SHAREHOLDER IN CONNECTION WITH THE OFFER FOR SALE, AND THE EQUITY SHARES OFFERED BY SUCH SELLING SHAREHOLDER IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND MARWADI SHARES AND FINANCE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED AND MARWADI SHARES AND FINANCE LIMITED, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Madhya Pradesh, in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY, DIRECTORS, SELLING SHAREHOLDERS AND THE BOOK RUNNING LEAD MANAGERS

Our Company, our Directors, our Selling Shareholders and the Book Running Lead Managers accept no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisements or any other material Offered by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.niindia.in would be doing so at his or her own risk.

Selling Shareholder and its directors, affiliates, associates, and officers accept no responsibility for any statements made in this Draft Red Herring Prospectus other than the statements in this Draft Red Herring Prospectus specifically confirmed in relation to itself as a Selling Shareholder and the Offered Shares.

BRLMs accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information will be made available by the Book Running Lead Managers, Underwriters, Syndicate members, our Company and Selling Shareholder to the public and bidders at large and no selective or additional information would be available for any section of the bidders in any manner whatsoever including at road shows, presentations, in research or sales reports etc. We shall not be liable to the Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company, Selling Shareholders and the BRLMs or any other member of the Syndicate shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGERS

For details regarding the price information and track record of the past issues handled by Pantomath Capital Advisors Private Limited and Marwadi Shares and Finance Limited, please refer "Annexure A" to this Draft Red Herring Prospectus and the website of Book Running Lead Managers at www.pantomathgroup.com and www.marwadionline.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft 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) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this 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 sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company of the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, Offered against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Draft Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). National Stock Exchange of India Limited has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Offer. It is to be distinctly understood that the aforesaid permission given by National Stock Exchange of India Limited should not in any way be deemed or construed that the offer document has been cleared or approved by National Stock Exchange of India Limited; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

LISTING

An application has been made to the Emerge Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Offer Document vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Bid/ Offer Closing Date. Further, the Selling Shareholder confirms that they shall provide reasonable assistance to our Company and, the BRLMs, as may be reasonably required and necessary, for the 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 6 (six) Working Days of the Bid/Offer Closing Date.

CONSENTS

Consents in writing of: (a) Selling Shareholders, the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor & Peer Reviewed Auditor, Banker to the Company & Sponsor Bank and (b) Book Running Lead Managers, Syndicate Member, Underwriter, Market Maker, Registrar to the Offer, Public Offer Bank / Banker to the Offer and Refund Banker to the Offer, Legal Advisor to the Offer, to act in their respective capacities have been obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

EXPERT TO THE OFFER

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the financial year ended March 31, 2019, 2018 and 2017 of our company.

PREVIOUS PUBLIC AND RIGHTS ISSUES

Except as stated in the chapter titled “*Capital Structure*” beginning on page 70 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES

Neither our Company nor any of our Group Company/Subsidiary/Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

PERFORMANCE VIS-A-VIS OBJECTS FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, none of our Subsidiaries or Promoter Companies are listed on any stock exchange, so, data regarding promise versus performance is not applicable.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar to the Offer, our Company and Selling Shareholder provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Offer for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, UPI Id (if applicable), number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

Our Company, the Selling Shareholder, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of any Designated Intermediary including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

MECHANISM EVOLVED FOR REDRESSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on September 16, 2019. For further details, please refer to the chapter titled “*Our Management*” beginning on page 153 of this Draft Red Herring Prospectus.

Our Company has appointed Aarti Thakur as Company Secretary and Compliance Officer and she may be contacted at the following address:

Aarti Thakur

Nilshikhaa Projects Limited

R-211, Mahalaxmi Nagar, Near Bombay Hospital,
Indore – 452015, Madhya Pradesh, India

Tel: 731-4077760

Email: cs@niindia.in

Website: www.niindia.in

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VIII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and transferred pursuant to this Offer shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Offer.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in Public Offer shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application since this IPO will not be under Phase I.

Further vide the said circular Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being Offered and transferred in the Offer shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allotees upon receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 249 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 181 of this Draft Red Herring Prospectus.

FACE VALUE AND OFFER PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Offer Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Selling shareholders in consultation with the BRLMs and advertised in All edition of the English national newspaper [●], all edition of the Hindi national newspaper [●] and the Regional newspaper [●], where the Registered Office of our Company is situated, each with wide circulation, at least two Working

Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading the same on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the website of the Stock Exchange.

At any given point of time there shall be only one denomination of Equity Shares.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 249 of this Draft Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated September 27, 2019 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated September 27, 2019 amongst CDSL, our Company and the Registrar to the Offer.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs, or the Sponsor Bank as the case may be, shall be unblocked within 4 working days of closure of Offer.

JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States

or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along 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, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE OFFER

Our Company and Selling Shareholders in consultation with the BRLMs, reserve the right to not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would offer a public notice in the newspapers in which the pre-offer advertisements were published, within two days of the Bid/offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Managers through, the Registrar to the Offer, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company

shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed. If the offer is withdrawn after the designated Date, amounts that have been credited to the public Offer Account shall be transferred to the Refund Account

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and Selling Shareholders withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ OFFER OPENING DATE

Bid / Offer Opening Date	[●]
Bid / Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Unblocking of funds from ASBA Accounts / Initiation of Refunds	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

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

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Offer Period. On the Bid/Offer Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Managers to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Offer Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offer, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Managers or Selling Shareholders are liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can 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 of 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 Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Member.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (issue) period disclosed in the red herring prospectus (in case of a book built issue) or the issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Offer Period not exceeding 10 working days.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Offer shall ask for rectified data

MINIMUM SUBSCRIPTION

This Offer is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Offer through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible*

criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares issued through this Offer are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 57 of this Draft Red Herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allotees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-offer Equity Shares and Promoter’s minimum contribution in the Offer as detailed in the chapter “*Capital Structure*” beginning on page 70 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled “*Main Provisions of the Articles of Association*” beginning on page 249 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Managers are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

OFFER STRUCTURE

This Offer is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post offer face value capital exceeds ten crore rupees but does not exceed twenty five crore rupees. The Company shall offer specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an offer please refer chapter titled "*Terms of the Offer*" and "*Offer Procedure*" on page 221 and 229 of this Draft Red Herring Prospectus.

Following is the offer structure:

Initial Public Offer of upto 75,00,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. [●]/- (including a premium of Rs. [●]/-) aggregating to Rs. [●] Lakhs. The Offer comprises a fresh issue of up to 39,96,000 Equity Shares aggregating to Rs. [●] Lakhs and an Offer for Sale of up to 35,04,000 Equity Shares aggregating to Rs. [●] Lakhs by Selling Shareholders ("Offer"). The Offer comprises a Net Offer to the public of up to [●] Equity Shares (the "Net Offer"). The Offer and Net Offer will constitute [●] % and [●] % of the post-offer paid-up Equity Share capital of our Company.

The offer comprises a reservation of [●] Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Market Maker Reservation Portion	Non – Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of offer Size available for allocation	[●] % of offer Size	[●] % of the net offer shall be available for allocation	[●] % of the net offer shall be available for allocation
Basis of Allotment / Allocation if respective category is oversubscribed	Firm allotment	Proportionate	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled " <i>Offer Procedure</i> " beginning on page 229 of this Draft Red Herring Prospectus
Mode of Bid cum Application	Through ASBA Process only	Through ASBA Process only	Through ASBA Process through banks or by using UPI ID for payment
Minimum Bid Size	[●] Equity Shares of Face Value of Rs. 10.00 each	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds Rs. 2,00,000	[●] Equity Shares of Face Value of Rs. 10.00 each
Maximum Bid Size	[●] Equity Shares of Face Value of Rs 10 each	Not exceeding the size of the Offer, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs.

Particulars	Market Maker Reservation Portion	Non – Institutional Bidders	Retail Individual Bidders
			2,00,000
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[•] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[•] Equity Shares and in multiples thereof	[•] Equity Shares and in multiples thereof
Terms of payment	In case of ASBA, the entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate and in case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant		

- 1) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the Book Running Lead Managers and the Designated Stock Exchange.*
- 2) *In terms of Rule 19(2)(b)(i) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.*

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.

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, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 03, 2018 (“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 the enactments and regulations, to the extent applicable to a public issue. The General Information Document shall be made available on the website of the Stock Exchange, the Company and the Book Running Lead Managers before opening of the Offer Period. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Bids by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment Instructions for Bidders applying through the ASBA process and Retail Individual Bidders applying through the UPI mechanism under the ASBA process; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xi) mode of making refunds (xii) interest in case of delay in Allotment or refund; and (xiii) Grounds for Refund.

Our Company, Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft 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 the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer has been made for at least 25% of the post-offer paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein no reservation was made for Qualified

Institutional Buyers and the allocation to the public will be made as per Regulation 253 of the SEBI ICDR Regulations.

Subject to the valid Bids being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (collectively the "UPI Circular") in relation to streamlining the process of public offer of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- **Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Bidder had the option to submit the Bid cum Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing would continue to be six Working Days.
- **Phase II:** This phase has become applicable from July 1, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, physical submission of the Bid cum Application Form by a Retail Individual Bidder through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will compulsorily be replaced by the UPI Mechanism. However, the time duration from public offer closure to listing would continue to be six Working Days during this phase.
- **Phase III:** Subsequently, under this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public offers shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the BRLMs.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Offer Opening Date.

All the investors (except Retail Individual Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Offer may use either Application Supported by Blocked Amount (ASBA) facility for application or also can use UPI payment mechanism for application.

Bidders (other than RIIs using the UPI Mechanism) must provide bank account details and authorisation by the ASBA bank account holder to block funds in their respective ASBA Accounts 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. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Offer for purpose of reconciliation.

Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI of his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of Stock Exchange.

Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the Issuer. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Red Herring Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or Sponsor Bank, as applicable, at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i. an SCSB, with whom the bank account to be blocked, is maintained
- ii. a syndicate member (or sub-syndicate member)
- iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. a registrar to an Offer and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail Individual investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as ‘Intermediaries’), shall enter their UPI ID in the Bid-Cum-Application Form. It is clarified that Retail Individual Bidders may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange was done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
For applications submitted by Investors to intermediaries other than SCSBs with use of UPI for payment	After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of Stock Exchange. Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on Investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to Investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by Stock Exchange.

Stock Exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN BID?

In addition to the category of Bidders, set forth in the GID, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Scientific research organizations authorized in India to invest in the Equity Shares; and
- Any other persons eligible to Bid in the Offer under the laws, rules, regulations, guidelines and policies applicable to them.

As per the existing RBI regulations, OCBs cannot participate in this Offer.

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF BOOK RUNNING LEAD MANAGERS AND SYNDICATE MEMBERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The BRLMs and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members, if any, may subscribe the 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 associates or affiliates of BRLMs and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Selling Shareholders, Promoter and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Offer.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to 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 reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on

the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non- Residents (blue in colour). For details of restrictions on investment by NRIs, please refer to the chapter titled "**Restrictions on Foreign Ownership of Indian Securities**" beginning on page 246 of this Draft Red Herring Prospectus.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals;

BIDS BY FPIs including FIIs

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely 'foreign institutional investors' and 'qualified foreign investors' are subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio 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 offer, 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 offer or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

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 offered 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. Limited liability partnerships can participate in the Offer only through the ASBA process.

BIDS BY BANKING COMPANY

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 by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring

of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

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 reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under 1, 2 and 3 above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered

accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

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, 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, Government of India, Systemically Important Non-Banking Financial Company or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the Book Running Lead Managers and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF DRAFT RED HERRING PROSPECTUS/ PROSPECTUS WITH ROC

- (a) Our Company and the Selling Shareholders have entered into an Underwriting agreement dated [●].
- (b) A copy of the Red Herring Prospectus will be registered with the RoC and copy of Prospectus will be registered with ROC in terms of Section 32 of the Companies Act, 2013 and Section 26 of the Companies Act, 2013.

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 Regulations, in: (i) English National daily Newspaper; (ii) Hindi National daily Newspaper; and (iii) Regional Newspaper, each with wide circulation at the place where the Registered Office of the Company is situated. In the pre-offer advertisement, we shall state the Bid Opening Date and the Bid Closing Date and the floor price or price band along with the necessary details subject to Regulation 250 of the SEBI ICDR Regulations. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS

Our Company will offer a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Draft Red Herring Prospectus and the date of Red Herring Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Please note that NIIs are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or 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.

In addition to the general instructions provided in the General Information Document, Bidders are

requested to note the additional instructions provided below:-

A. Do's and Don'ts

Do's:

1. Check if you are eligible to apply as per the terms of the Draft 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, UPI 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;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of joint bids, ensure that first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment.
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 of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in 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);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. 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, and (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, 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;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. 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;
16. Ensure that the category and the investor status is indicated;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. 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 Exchange 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;
20. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Draft Red Herring Prospectus;
21. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
22. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Offer;
23. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
24. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSSB 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;
25. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
26. 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 pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the

ASBA process;

9. Do not Bid for a Bid Amount exceeding ₹ 2,00,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer 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 Draft Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. 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;
14. 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;
15. 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);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders

Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidder 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 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.

All communications may be addressed to such Bidders and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

A Bidder should submit only one Bid cum Application Form. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, the sub-Syndicate, SCSB, Registered Broker, RTA and CDP 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.

Investor Grievance

In case of any pre-offer or post-offer related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

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 should inform their respective DP.

SUBMISSION OF BIDS

- a) During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs) Bidding at Cut-off Price, the Bidders 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 Exchange Platform Bidders are requested to refer to the DRHP.

GROUNDS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price.
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-Off Price by NIIs.
- Bids for number of Equity Shares which are not in multiples of the Equity Shares as specified in the DRHP;
- 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;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bids accompanied by stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Offer Opening Date advertisement and the RHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case, no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;

- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchange; and
- Where no confirmation is received from SCSB for blocking of funds;
- Bids 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. Bids not duly signed by the sole/First Bidder.
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of Bid cum Application Forms/Application Form using third party ASBA Bank Account;
- Submission of more than one Bid cum Application Form per UPI ID by RIIs bidding through Designated Intermediaries;
- In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and *vice-versa*.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated September 27, 2019 among NDSL, the Company and the Registrar to the Offer; and
 - (b) Agreement dated September 27, 2019 among CDSL, the Company and the Registrar to the Offer.
- The Company's shares bear ISIN no INE0AP001010.

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."

PROCEDURE AND TIME OF SCHEDULE FOR ALLOTMENT AND DEMAT CREDIT

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders 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 who have been Allotted Equity Shares in the Offer.

- (a) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (b) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account which will be completed within 4 Working Days of the Offer Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Offer Account on the Designated Date.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Net Offer size less Allotment to Non-Institutional Investor shall be available for Allotment to Retail Individual Bidders, who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Net Offer size less Allotment to Retail Investor shall be available for Allotment to Non-Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in

multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Offer Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Offer of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Offer after the Bid/Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company 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 Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/ RoC/ SEBI, in the event our Company subsequently decides to proceed with the Offer;
10. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

UNDERTAKING BY EACH SELLING SHAREHOLDERS

Each Selling Shareholder, severally and not jointly, undertakes the following in respect of itself as a Selling Shareholder and its respective portion of the Offered Shares:

1. That the Offered Shares are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or encumbrances and are eligible to be a part of the Offer for Sale, in accordance with Regulation 8 of the SEBI ICDR Regulations and shall continue to be in dematerialised form at the time of transfer;
2. That it is the legal and beneficial owner of and has full title to its respective portion of the Offered Shares;
3. That it shall provide all support and cooperation as may be reasonably requested by our Company

and the BRLMs to the extent such support and cooperation is in relation to its Offered Shares and in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the Offered Shares;

4. That each Selling Shareholder specifically confirms that it shall not have any recourse to the proceeds of the Offer, until final listing and trading approvals have been received from the Stock Exchange.
5. That it 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 Issue, 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 Issue, except as permitted under applicable law;
6. That it shall not offer, lend, pledge, create lien, charge, encumber, sell, contract to sell or otherwise transfer or dispose of, directly or indirectly, any of the Equity Shares offered in the Offer;
7. That it will provide such assistance as may be required by our Company and BRLMs acting reasonably, in redressal of such investor grievances that pertain to the Equity Shares being offered pursuant to the Offer and statements specifically made or confirmed by it in relation to itself as a Selling Shareholder; and
8. That it shall transfer its portion of the Offered Shares to an escrow demat account in accordance with the share escrow agreement to be executed between the parties to such share escrow agreement.

The Selling Shareholders have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of Offered Share.

UTILIZATION OF THE OFFER PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Offer shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Offer, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Offer.
5. Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchange where listing is sought has been received.

The Book Running Lead Managers undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactory.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991 unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by the RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to *inter-alia*, the applicable pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, *inter-alia* with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present, our Company is engaged in the services of providing power transmission and power distribution as well as in manufacturing of cables and conductors. The manufacturing activity is specifically listed in the Permitted Sectors of FDI Policy i.e. 5.2.5.1, hence 100% foreign direct investment through automatic route is permitted subject to applicable laws/regulations, security and other conditionalities.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/ RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained, and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence to the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank; and iv) where the investee company is in the financial sector provided that: a) Any ‘fit

and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in the transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2000/3/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Managers 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. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION
THE COMPANIES ACT, 2013
A COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION**
OF
NILSHIKHAA PROJECTS LIMITED*
INTERPRETATION

1. In these Articles unless there be something in the subject matter or context inconsistent therewith:
 - i. **“The Act”** means the Companies Act, 2013 and the applicable provisions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.
 - ii. **“Articles”** means Articles of Association of the Company as originally framed or altered from time to time
 - iii. **“Beneficial Owner”** shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.
 - iv. **“Board” or “Board of Director”** means the Collective body of the Board of Directors of the Company.
 - v. **“Chairman”** means the Chairman of the Board of the Directors of the Company.
 - vi. **“Depositories Act, 1996”** shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.
 - vii. **“Depository”** shall have the meaning assigned thereto by Section 2 (1) (e) of the Depositories Act, 1996.
 - viii. **“Directors”** mean the Directors for the time being of the Company.
 - ix. **“Dividend”** includes any interim dividend.
 - x. **“Document”** means a document as defined in Section 2 (36) of the Companies Act, 2013.
 - xi. **“Equity Share Capital”**, with reference to any Company limited by shares, means all share capital which is not preference share capital;
 - xii. **“KMP”** means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.
 - xiii. **“Managing Director”** means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.
 - xiv. **“Month”** means Calendar month.
 - xv. **“Office”** means the registered office for the time being of the Company.
 - xvi. **“Paid-up share capital”** or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called;
 - xvii. **“Postal Ballot”** means voting by post or through any electronic mode.
 - xviii. **“Proxy”** includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the Company on poll.
 - xix. **“Registrar”** means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a

Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.

- xx. “**Rules**” means the applicable rules as prescribed under the relevant sections of the Act for time being in force.
- xxi. “**SEBI**” means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.
- xxii. “**Securities**” means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)
- xxiii. “**Share**” means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
- xxiv. “**Seal**” means the common seal of the Company.
- xxv. “**The Company**” means **NILSHIKHAA PROJECTS LIMITED***

Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.

Share Capital

- 2. The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.
- 3. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

Issue of Sweat Equity Shares

- 4. Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.

Issue of Debentures

- 5. The Company shall have powers to issue any debentures, debenture-stock or other securities at Par, discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

Issue of Share Certificates

6.
 - i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within fifteen days (15) of the application for registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—
 - a. one certificate for all his shares without payment of any charges; or
 - b. several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first.
 - ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
 - iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - iv. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
7. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty Rupees for each certificate.
8. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
9. The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.

Power to pay Commission In connection with the Securities issued

10.
 - i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
 - ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
 - iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Variations of Shareholder's rights

- 11.

- i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
 - ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Issue of Preference Shares

13. Subject to the provisions of section 55 and 62, any preference shares may with the sanction of Special resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

Further Issue of shares

14. (1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:
- (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
 - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.
- (2) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.

Lien

- 15.
- i. The Company shall have a first and paramount lien—
 - a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company;

- c. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- 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 the person entitled thereto by reason of his death or insolvency.
- 17.
 - i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
 - ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 18.
 - i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
 - ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Joint Holdings

- 19. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-
 - a) The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.
 - b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
 - c) On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
 - d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
 - e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such

share or to receive documents from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.

f)

- (i) Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.
 - (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.
- g) The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names.

Calls on shares

20.

- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.

- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

- iii. A call may be revoked or postponed at the discretion of the Board.

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.

22. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

23.

- i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

- ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.

24.

- i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture

- iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
25. The Board—
- i. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - ii. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
26. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up.
- Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.
27. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.
28. The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company.

Transfer of shares

- 29.
- i. The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.
 - ii. Each share in the Company shall be distinguished by its appropriate number.
 - iii. A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.
- 30.
- i. The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.
 - ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
31. The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act-
- i. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - ii. any transfer of shares on which the Company has a lien.
 - iii. Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
32. The Board shall decline to recognise any instrument of transfer unless—
- i. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

- ii. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and the instrument of transfer is in respect of only one class of shares.

Provided that, transfer of shares in whatever lot shall not be refused.

- iii. The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s),
- iv. Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter , then the securities will be transferred;

- v. If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.

33. The Company agrees that in respect of transfer of shares where the Company has not effected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay

34. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

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

35. The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company.

Register of Transfers

36. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.

Dematerialisation of Securities

37.

- i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles.

a. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depository Act, 1996.

b. Option for Investors:

Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities.

If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security

c. Securities in Depository to be in fungible form:-

o All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.

- Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.

d. Rights of Depositories & Beneficial Owners:-

Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.

- e. Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- f. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.
- ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.
- iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.
- vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.
- vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country.

Transmission of shares

38.

- i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

39.

- i. Any person becoming entitled to a share, in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
 - a. to be registered himself as holder of the share; or

- b. to make such transfer of the share as the deceased or insolvent member could have made.
- ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- 40.
- i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
 - ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
 - iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
41. 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.
42. The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.
- No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.
- Forfeiture of shares**
- 43. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
 - 44. The notice aforesaid shall—
 - i. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - ii. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
 - 45. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
 - 46.
 - i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

- ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

47.

- i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- ii. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

48.

- i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;
- iii. The transferee shall thereupon be registered as the holder of the share; and
- iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

49. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

50. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

52. The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

53. The Provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

54. The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

Initial payment not to preclude forfeiture

55. Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company

in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided.

Alteration of capital

56. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
57. Subject to the provisions of section 61, the Company may, by ordinary resolution,—
 - i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - iv. Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Conversion of Shares into Stock

58. Where shares are converted into stock,—
 - i. the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - ii. the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - iii. Such of the articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

Reduction of Capital

59. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—
 - i. its share capital;
 - ii. any capital redemption reserve account; or
 - iii. Any share premium account.

Share Warrants

60. The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue of a share warrant.

The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrants.

Not more than one person shall be recognized as depositor of the share warrant.

The Company shall, on two days written notice, return the deposited share warrants to the depositor.

Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.

The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

Capitalisation of profits

61.

- i. The Company in general meeting may, upon the recommendation of the Board, resolve—
 - 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
 - b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
 - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - b. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid;
 - c. partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
 - d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
 - e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.
- iii. Allotment or Distribution of Bonus Shares shall not be made to those Members who furnish to the Company in written intimation waiving their entitlement to receive such allotment or distribution of shares credited as fully paid up pursuant to this Article 61 as the case may be, and accordingly the corresponding amount shall not be capitalized.

62.

- i. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
 - a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b. generally to do all acts and things required to give effect thereto.
- ii. The Board shall have power—
 - a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
 - b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- iii. Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

63. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

General Meeting

64. All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.

65.

- i. The Board may, whenever it thinks fit, call an extraordinary general meeting.
- ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five per cent. of the members entitled to vote at such meeting.
- iii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

66.

- i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- ii.
 - i. Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.
 - ii. In any other case, the quorum shall be decided as under:

- a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;
67. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
68. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
69. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
70. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
71. A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for poll

- 72.
- i. Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.
 - ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

- 73.
- i. A poll demanded on a question of adjournment shall be taken forthwith.
 - ii. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.

Adjournment of meeting

- 74.
- i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

- iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

75. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- i. on a show of hands, every member present in person shall have one vote; and
 - ii. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
76. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 77.
- i. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
 - ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
78. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
79. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
80. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
81. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
- 82.
- i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
 - ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.
83. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

Casting Vote

84. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

Representation of Body Corporate

85. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the

provisions of Section 113 of the Companies Act, 2013 authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Circulation of member's resolution

86. The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution.

Resolution requiring special notice

87. The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.

Resolutions passed at adjourned meeting

88. The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of resolutions and agreements

89. The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.

Minutes of proceedings of general meeting and of Board and other meetings

90.

- i. The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.
- ii. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :
 - A. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - B. in the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
 - C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
 - D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
 - F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:

- a. the names of the Directors present at the meetings, and
 - b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.
- iii. Nothing contained in Clauses (a) to (d) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:
- a. is or could reasonably be regarded, as defamatory of any person
 - b. is irrelevant or immaterial to the proceedings; or
 - c. in detrimental to the interests of the Company.
- iv. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.

Minutes to be considered to be evidence

91. The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.

Publication of reports of proceeding of general meetings

92. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

Proxy

93. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
94. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
95. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

The following were the Directors at the time of incorporation of the company;

1. Mr. Guru Prasanna Sahoo
2. Mr. Jagdish Kumar
3. Mr. Shivananda
4. Mr. Arvind Tripathi
5. Mrs. Pooja Tripathi
6. Mrs. Niharika Sahoo
7. Mrs. Sangeeta Bharti
8. Mrs. Prabha TS

96. The Directors need not hold any “Qualification Share(s)”.

97. Appointment of Senior Executive as a Whole Time Director Subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide. The Senior Executive so appointed shall be governed by the following provisions:

He may be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.

Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.

- 98.
- i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
 - ii. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—
 - a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - b. in connection with the business of the company.
99. The Board may pay all expenses incurred in getting up and registering the company.
100. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.
101. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
102. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 103.
- i. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
 - ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

Retirement and Rotation of Directors

104. Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is

liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.

105. The remaining Directors shall be appointed in accordance with the provisions of the Act.
106. At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
107. Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.
108. Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.
109. Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Nominee Director

110. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as "the Corporation") continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.
111. The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.
112. The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.
113. The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the

Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors.

Provided that if any such Nominee Directors is an Officer of the Corporation / IDBI, the sitting fees in relation to such Nominee Directors shall also accrue to the Corporation/ IDBI as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.

114. Provided also that in the event of the Nominee Directors being appointed as Whole time Directors such Nominee Directors shall exercise such powers and duties as may be approved by the Lenders. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Lenders.

Removal of Directors

115. The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.
116. Special notice as provided in the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
117. On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
118. Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so,
 - (a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and
 - (b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:

Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in party by the director notwithstanding that he is not a party to it.

119. A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.
120. A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.

121. If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act:

Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.

122. Nothing in this section shall be taken-

- a) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contact or terms of his appointment as director, or of any other appointment terminating with that as director; or
- b) as derogating from any power to remove a director under other provisions of this Act.

Remuneration and sitting fees to Directors including Managing and whole time Directors

123. Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.

In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.

- a. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or
- b. In connection with the business of the Company.

124. Each Director shall be entitled to be paid out of the funds of the Company by way of sitting fees for his services not exceeding the sum of Rs.1,00,000/- (Rupees One Lac) as may be fixed by Directors from time to time for every meeting of the Board of Directors and/ or committee thereof attended by him in addition to any remuneration paid to them. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to make any special exertions for the purpose of the Company then subject to Section 196, 197 & 198, read with Schedule V of the Act, the Board may remunerate such Directors either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.

Powers and duties of Directors:

Certain powers to be exercised by the Board only at meeting

- 125.

- i. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.
 - a. The power to make calls on shareholders in respect of money unpaid on their shares;
 - b. The Power to authorize buy-back of securities under Section 68 of the Act.
 - c. Power to issue securities, including debenture, whether in or outside India
 - d. The power to borrow moneys
 - e. The power to invest the funds of the Company,
 - f. Power to Grant loans or give guarantee or provide security in respect of loans
 - g. Power to approve financial statements and the Board's Report
 - h. Power to diversify the business of the Company
 - i. Power to approve amalgamation, merger or reconstruction
 - j. Power to take over a Company or acquire a controlling or substantial stake in another Company
 - k. Powers to make political contributions;

- i. Powers to appoint or remove key managerial personnel (KMP);
- m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
- n. Powers to appoint internal auditors and secretarial auditor;
- o. Powers to take note of the disclosure of director's interest and shareholding;
- p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;
- q. Powers to invite or accept or renew public deposits and related matters;
- r. Powers to review or change the terms and conditions of public deposit;
- s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be.

Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the case of a branch office of the Company, a principal officer of the branch office, the powers specified in sub-clauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.

- ii. Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.
- iii. Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.
- iv. Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.
- v. Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.

Restriction on powers of Board

126.

- i. The Board of Directors of the Company shall not except with the consent of the Company in general meeting :
 - a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;
 - b) remit, or give time for the repayment of any debt, due by a Director;
 - c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
 - d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or
 - e) contribute to *bona fide* charitable and other funds, aggregate of which will in any financial year, exceed five percent of its average net profits during the three financial years, immediately preceding.

- ii. Nothing contained in sub-clause (a) above shall affect:
 - a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or
 - b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.
 - iii. Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.
 - iv. No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
127. Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.

General powers of the Company vested in Directors

128. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific powers given to Directors

129. Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:
- i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;
 - ii. to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;
 - iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to

- such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
 - v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;
 - vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
 - vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
 - viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
 - ix. To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;
 - x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;
 - xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
 - xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;
 - xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;

- xiv. Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.
- xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.
- xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;
- xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytime Directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;
- xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.
- xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.
- xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such

powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.

- xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of or behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company;

MANAGING DIRECTORS

Power to appoint Managing or Whole-time Directors

130.

- a) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
- b) Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time.
- c) Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.

Proceedings of the Board

131.

- a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

132. The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.

133.

- a) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- b) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

134. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

135. The participation of directors in a meeting of the Board/ Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
- 136.
- a) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
 - b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

Delegation of Powers of Board to Committee

- 137.
- a) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
 - b) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 138.
- a) A committee may elect a Chairperson of its meetings.
 - b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
- 139.
- a) A committee may meet and adjourn as it thinks fit.
 - b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
140. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
141. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

142. Subject to the provisions of the Act,—
- a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.

143. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, manager, Company Secretray or chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief Financial Officer.

The Seal

144.

- a) The Board shall provide for the safe custody of the seal.
- b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividends and Reserve

145. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

146. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.

147.

- a) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

148.

- a) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- b) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- c) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

149. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

150.

- a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
 - b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
151. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
152. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
153. No dividend shall bear interest against the Company.
- Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;
154. Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the company in that behalf in any scheduled bank to be called the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.
- The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.
155. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
156. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

Accounts

- 157.
- a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
 - b) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.

Inspection of Statutory Documents of the Company:

158. Minutes Books of General Meetings
- a) The books containing the minutes of the proceedings of any general meeting of the Company shall;
 - i. be kept at the registered office of the Company, and

- ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.

Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.

- b) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.

159. Register of charges:

- a) The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.
- b) The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours—
 - a. by any member or creditor without any payment of fees; or
 - b. by any other person on payment of such fees as may be prescribed,

Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.

Audit

160.

- a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.
- b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.
- c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.
- d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

Winding up

161. Subject to the provisions of Chapter XX of the Act and rules made there under—

- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or others securities whereon there is any liability.

Indemnity

162. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under—

Secrecy

163.

- (a) Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.
- (b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at R-211, Mahalaxmi Nagar, Near Bombay Hospital, Indore 452010, Madhya Pradesh, India from date of filing the Red Herring Prospectus with RoC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Offer Agreement dated September 25, 2019 between our Company, Selling shareholders and the BRLMs;
2. Registrar Agreement dated September 25, 2019 between our Company and Link Intime India Private Limited, Registrar to the Offer;
3. Underwriting Agreement dated [●] between our Company, Selling Shareholders and Underwriters viz. BRLMs;
4. Share Escrow Agreement dated [●], 2019 between our Company, the Selling Shareholders, the BRLMs and the Share Escrow Agent.
5. Market Making Agreement dated September 25, 2019 between our Company, Market Maker and the BRLMs;
6. Bankers to the Offer Agreement dated [●] amongst our Company, the BRLMs, Banker(s) to the Offer, Sponsor Bank and the Registrar to the Offer;
7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated September 27, 2019;
8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated September 27, 2019;
9. Syndicate Agreement dated [●] between our Company, the BRLMs and Syndicate Member.

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolutions of the Board of Directors dated September 14, 2019 in relation to the Offer and other related matters;
3. Shareholders' resolution dated September 20, 2019 in relation to the Offer and other related matters;
4. Authorisation letter dated September 14, 2019 issued by Arvind Kumar Tripathi;
5. Authorisation letter dated September 14, 2019 issued by Guru Prasanna Sahoo;
6. Authorisation letter dated September 14, 2019 issued by Jagdish Kumar;
7. Authorisation letter dated September 14, 2019 issued by Shivananda;
8. Authorisation letter dated September 14, 2019 issued by Niharika Sahoo;
9. Statement of Tax Benefits dated Septembet 25, 2019 issued by M/s. Nitin Shah & Co., Chartered Accountants
10. Report of the M/s. Nitin Shah & Co., Chartered Accountants, dated September 25, 2019 on the Restated Financial Statements for the financial years ended as on March 31, 2019, 2018 and 2017 of our Company.

11. Consents of Promoters, Selling Shareholders, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company, Legal Advisor to the Offer, the Book Running Lead Managers, Registrar to the Offer, Underwriter, Syndicate Member, Market Maker, Bankers to the Offer, Refund Banker to the Offer, Sponsor Bank to act in their respective capacities.
12. Copy of In-Principle approval from National Stock Exchange of India Limited *vide* letter dated [●], to use the name of National Stock Exchange of India Limited in this Offer document for listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION
DECLARATION BY SELLING SHAREHOLDERS

I, the under signed Selling Shareholder hereby certifies that all the statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by me in the Offer for Sale are true and correct.

Signed by Selling Shareholder

Sd/-

Signed by the Selling Shareholder
Arvind Kumar Tripathi

Place: Indore, Madhya Pradesh

Date: September 30, 2019

DECLARATION BY SELLING SHAREHOLDERS

I, the under signed Selling Shareholder hereby certifies that all the statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by me in the Offer for Sale are true and correct.

Signed by Selling Shareholder

Sd/-

Signed by the Selling Shareholder

Guru Prasanna Sahoo

Place: Indore, Madhya Pradesh

Date: September 30, 2019

DECLARATION BY SELLING SHAREHOLDERS

I, the under signed Selling Shareholder hereby certifies that all the statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by me in the Offer for Sale are true and correct.

Signed by Selling Shareholder

Sd/-

Signed by the Selling Shareholder

Jagdish Kumar

Place: Indore, Madhya Pradesh

Date: September 30, 2019

DECLARATION BY SELLING SHAREHOLDERS

I, the under signed Selling Shareholder hereby certifies that all the statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by me in the Offer for Sale are true and correct.

Signed by Selling Shareholder

Sd/-

Signed by the Selling Shareholder
Shivananda

Place: Indore, Madhya Pradesh

Date: September 30, 2019

DECLARATION BY SELLING SHAREHOLDERS

I, the under signed Selling Shareholder hereby certifies that all the statements made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by me in the Offer for Sale are true and correct.

Signed by Selling Shareholder

Sd/-

Signed by the Selling Shareholder
Niharika Sahoo

Place: Indore, Madhya Pradesh

Date: September 30, 2019

DECLARATION BY THE COMPANY

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, the Securities Contracts (Regulation) Act, 1956 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Arvind Kumar Tripathi <i>Chairman and Whole Time Director</i>	Sd/-
Guru Prasanna Sahoo <i>Managing Director</i>	Sd/-
Jagdish Kumar <i>Whole Time Director</i>	Sd/-
Shivananda <i>Whole Time Director</i>	Sd/-
Mukesh Vyas <i>Independent Director</i>	Sd/-
Omachyutam Singh Chauhan <i>Independent Director</i>	Sd/-
Barkha Deshmukh <i>Additional (Independent) Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sd/-

Sd/-

Amit Kumar Gautam

Chief Financial Officer

Place: Indore, Madhya Pradesh

Date: September 30, 2019

Aarti Thakur

**Company Secretary and
Compliance Officer**

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

S r. N o	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Openi ng price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Manorama Industries Limited	64.00	188.00	October 04, 2018	190.20	-2.26% (-0.45%)	5.69% (3.09%)	6.38% (10.53%)
2.	Innovative Ideals and Services (India) Limited	12.26	40.00	October 05, 2018	43.00	215.00% (1.85%)	320.25% (4.41%)	299.75% (13.61%)
3.	Vinny Overseas Limited	10.37	40.00	October 11, 2018	40.50	11.25% (3.43%)	12.25% (5.54%)	5.00% (13.38%)
4.	Shubhlaxmi Jewel Art Limited	6.51	26.00	December 04, 2018	27.10	33.85% (-0.71%)	111.54% (-0.06%)	360.38% (9.69%)
5.	Deccan Health Care Limited	42.12	100.00	December 31, 2018	108.00	28.40% (-1.32%)	7.05% (7.22%)	-10.55% (9.22%)
6.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	-7.69% (4.84%)	-19.33% (-0.59%)
7.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	-3.49% (4.75%)	-8.70% (-0.73%)
8.	Artedz Fabs Limited	8.32	36.00	March 29, 2019	40.00	5.56% (1.12%)	-9.44% (1.92%)	-32.78% (-0.31%)
9.	Par Drugs and Chemicals Limited	8.53	51.00	May 16, 2019	52.90	-6.47% (5.03%)	-7.84% (-2.94%)	Not Applicable
10.	Suich Industries Limited	30.86	75.00	June 13, 2019	68.50	-42.00% (-2.53%)	-61.93% (-6.53%)	Not Applicable

Note – Gensol Engineering Limited has registered its Red Herring Prospectus with Registrar of Companies for Initial Public Offering.

Sources: All share price data is from www.bseindia.com and www.nseindia.com.

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index.

2. Prices on BSE/NSE are considered for all of the above calculations.
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
17-18	*30	610.90	-	-	4	10	7	9	-	2	6	12	3	7
18-19	**25#	477.04	-	-	7	2	4	11	1	2	10	3	2	7
19-20	***2\$	39.39	-	1	1	-	-	-	-	-	-	-	-	-

*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

**The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited, Ritco Logistics Limited and Artedz Fabs Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 February 07, 2019 and March 29, 2019 respectively.

***The script of Par Drugs and Chemicals Limited and Suich Industries Limited were listed on May 16, 2019 and June 13, 2019 respectively.

\$ The script of Par Drugs and Chemicals Limited and Suich Industries Limited have not completed 180 Days and 180 Days respectively from the date of listing.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

Note: Ambition Mica Limited is a Further Public Offering lead managed by Pantomath Capital Advisors Private Limited in the Financial Year 2017-18 and the same has not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY MARWADI SHARES AND FINANCE LIMITED

Note: Marwadi Shares and Finance Limited has not handled any issue in past.